

## Community Development Department

P.O. Box 970 ▪ 414 E First Street ▪ Newberg, Oregon 97132  
503-537-1240 ▪ Fax 503-537-1272 ▪ [www.newbergoregon.gov](http://www.newbergoregon.gov)

### MEMORANDUM

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To: Angela Carnahan, Grant Manager, DLCD  
From: Doug Rux, Community Development Director  
Date: March 29, 2017  
RE: Newberg 2030 Project – Task 2 and 3 Closeout

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This memo is meant to closeout Tasks 2 and 3 for the Newberg 2030 grant project. Task 2 was to develop a Buildable Lands Inventory and Task 3 to establish a Study Area boundary. Tasks 2 and 3 includes four deliverables:

- Residential and Employment Buildable Lands Inventory, and Establishment and Evaluation of UGB Study Area
- Newberg Buildable Lands Comparison Memorandum
- TAC meeting materials (e.g., agenda, summary, handouts)
- CPC meeting materials (e.g., agenda, summary, handouts)

The original RFP and grant approval envisioned Task 2 being completed by the end of December 2016; however, due to an overall late start to the project and challenges with Division 38 requirements we requested that DLCD extend the Task 2 deliverable deadline to March 15, 2017 and then a second request to extend the deliverable deadline to March 31, 2017.

The original RFP and grant approval envisioned Task 3 being completed by the end of March 2017.

Task 2 work kicked off with a meeting of the Technical Advisory Committee on April 22, 2016, and of the Citizen Planning Committee (CPC, formerly called PAC) on May 17, 2016. The Technical Advisory Committee and CPC met again on December 19, 2016 to review the analysis completed to date on the Task 2 Buildable Lands Inventory (BLI) for which the Summary comments were submitted to DLCD on December 30, 2016. There was general discussion at both meetings. On February 24, 2017 the City and ECONorthwest met with DLCD staff (Angela Carnahan, Tom Hogue and Gordon Howard) to review the draft BLI and Study Area Boundary analysis (Attachment 3) and shared findings from that analysis and identified several concerns with elements of Division 38. Post the meeting with DLCD staff the preliminary draft BLI and Study Area Boundary was shared with Friends of Yamhill County to gain feedback. Attachment 4 are comments received on March 6, 2017 from Friends of Yamhill County on the preliminary draft.

On March 21, 2017 the Technical Advisory Committee met to review the final draft of the BLI and Study Area Boundary analysis (Attachment 5). The CPC also met and provided feedback on the analysis (Attachment 6). Attachment 7 are comments received on March 19, 2017 from Friends of Yamhill County on the Final Draft BLI and Study area Boundary.

On February 6, 2017 staff provided the City Council an update on the Closeout of Task 1 materials which were submitted to DLCD on December 30, 2016. Attachment 8 is the staff report without attachments as DLCD already has the material.

Staff is currently working on the Action Plan and Implementation Policies. A Technical Advisory Committee and CPC meeting will be held to review the Action Plan and Implementation Policies before it is finalized and submitted by the end of May 2017.

#### **ATTACHMENTS**

1. Residential and Employment Buildable Land Inventory, and Establishment and Evaluation of UGB Study Area.
2. Newberg Buildable Lands Comparison Memorandum
3. Draft Preliminary February 24, 2017 Residential and Employment Buildable Land Inventory, and Establishment and Evaluation of UGB Study Area
4. March 6, 2017 Friends of Yamhill County Comments on Preliminary Buildable Lands Inventory and Study Area
5. TAC Meeting Agenda, Summary & Handouts 3/21/17
6. CPC Meeting Agenda, Summary & Handouts 3/21/17
7. March 19, 2017 Friends of Yamhill County Comments on Final Buildable Lands Inventory and Study Area
8. February 6, 2017 City Council staff Report on Closeout of Task 1

# Newberg 2030

Task 2 Residential and Employment Buildable Land Inventory

Task 3 Establishment and Evaluation of UGB Study Areas

Final Report, March 29, 2017

This project is funded by Oregon general fund dollars through the Department of Land Conservation and Development. The contents of this document do not necessarily reflect the views or policies of the State of Oregon.

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# Newberg Buildable Lands Inventory

March 2017

Prepared for:  
City of Newberg

**FINAL REPORT**

**ECONorthwest**  
ECONOMICS • FINANCE • PLANNING

KOIN Center  
222 SW Columbia Street  
Suite 1600  
Portland, OR 97201  
503.222.6060

ECONorthwest prepared this report for the City of Newberg. Newberg provided key geographic information system (GIS) data sets necessary for the inventory. All analysis conducted by ECONorthwest.

**City of Newberg**

Douglas Rux, Community Development Director

**Consulting Staff**

Bob Parker, AICP, Project Director, ECONorthwest

Beth Goodman, Project Manager, ECONorthwest

For over 40 years ECONorthwest has helped its clients make sound decisions based on rigorous economic, planning, and financial analysis. For more information about ECONorthwest: [www.econw.com](http://www.econw.com). For more information about this report, please contact:

Douglas Rux  
Community Development Director  
City of Newberg  
414 E. First Street  
Newberg, OR, 97132  
Phone: 503-537-1212  
[Doug.Rux@newbergoregon.gov](mailto:Doug.Rux@newbergoregon.gov)

Robert Parker  
ECONorthwest  
222 SW Columbia, Suite 1600  
Portland, OR 97201  
503-222-6060  
[parker@econw.com](mailto:parker@econw.com)

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# 1. Introduction

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The City of Newberg (City) is preparing to evaluate the sufficiency of lands within its Urban Growth Boundary (UGB). That process has two steps: (1) documentation of land needed for housing, employment and public facilities; and (2) documentation of land supply. Because the City is preparing for a UGB amendment, lands outside the UGB must also be inventoried. Newberg may pursue the boundary amendment in the second half of 2017 or first half of 2018 using the Division 38 (OAR 660-038) simplified urban growth boundary method. As an initial step in the process, the City contracted ECONorthwest to prepare a buildable lands inventory (BLI) that complies with applicable state statutes and administrative rules through a Technical Assistance Grant from the Oregon Department of Land Conservation and Development (DLCD) as part of a pre-UGB evaluation process as part of Division 38 (OAR 600-038 requirements).

The requirements for establishment of a UGB are defined in Statewide Planning Goal 14. The Goal 14 Oregon Administrative Rule (OAR 660-024) provides specific guidance with respect to the adoption and amendment of UGBs. In 2015, however, the Land Conservation and Development Commission (LCDC) developed a new administrative rule that created a simplified pathway for boundary reviews, which is codified as OAR 660-038 (Simplified Urban Growth Boundary Method). At this time through the DLCD grant, Newberg is evaluating the Division 38 simplified method subject to the analysis of the BLI of and direction provided by the Newberg City Council. That method provides detailed guidance on how buildable land inventories must be completed.

Thus, the legal requirements that govern the BLI for the City of Newberg are defined in OAR 660-038. Relevant sections include:

- **660-038-0060 - Buildable Lands Inventory (BLI) for Residential Land within the UGB.** A city must determine the supply and development capacity of lands within its UGB by conducting a buildable lands inventory (BLI) as provided in this rule.
- **660-038-0070 - Adjust Residential Lands Inventory to Account for Constrained Lands.** A city must adjust the inventory of residential lands prepared under OAR 660-038-0060 to account for constrained lands using this rule.
- **660-038-0120 - Inventory of Buildable Employment Land within the UGB.** A city must determine the supply and development capacity of employment lands within its UGB at the time of initiation by conducting a buildable lands inventory (BLI) for employment land as provided in this rule and OAR 660-038-00130.
- **660-038-0130 - Adjust Employment Buildable Land Inventory to Account for Constrained Lands.** A city must adjust the employment buildable lands inventory determined under OAR 660-038-0120 to account for constrained lands using this rule.
- **660-038-0160. Establishment of Study Area to Evaluate Land for Inclusion in the UGB.** Cities shall comply with this rule and OAR 660-038-0170 when determining which lands



to include within the UGB in response to a deficit of land to meet long-term needs determined under OAR 660-038-0080, 660-038-0150, or both.

- **660-038-0170 - Evaluation of Land in the Study Area for Inclusion in the UGB; Priorities.** A city considering a UGB amendment must decide which land to add to the UGB by evaluating all land in the study area determined under OAR 660-038-0160.

In short, the Division 38 rule creates several categories of land that is broadly divided between land within the current UGB and land in the required UGB study area. The rules provide specific guidance on how to address residential and employment lands within the UGB (but not public lands). The rules also provide guidance for evaluation of lands in the UGB study areas. In simple terms, the BLI for both residential and commercial and industrial lands consists of several common steps:

1. Determining the UGB study area
2. Classifying land into mutually exclusive categories by development status
3. Deducting land with development constraints
4. Developing tabular summaries of lands by classification and plan designation
5. Estimating land holding capacity in terms of dwellings and employees

The process included verification of land classifications (step 2 above; these can be thought of as development status) by City staff through review of draft maps provided by ECO.

This report summarizes the methods ECO proposes to use to conduct the Newberg BLI, including definitions and procedures we used for the classifications. It also includes a list of development constraints and how they are addressed in the buildable land inventory.

## 2. Methods

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The methods for a Division 38 buildable lands inventory are largely defined in the rule. Consistent with Statewide Planning Goal 14, the rule addresses lands inside and outside UGBs in different ways. For land inside the UGB, OAR 660-038-0060 and 0070 describe the methods for residential lands, and OAR 660-038-0110 and 0120 describe the methods for employment lands. The simplified method does not require public land inside the UGB to be inventoried. OAR 660-038-0160 provides guidance for establishing a UGB study area, and OAR 660-038-0170 describes methods for evaluating lands outside the UGB. The relevant sections of the Administrative Rule are included in Appendix A.

The inventory is based on Yamhill County Assessment data that was current as of October 2016. The City provided additional data on plan designation, zoning, building footprints, and some natural hazards. Other data was obtained from the Oregon Geospatial Explorer. A full list of data sets used in the inventory is included in Appendix A.

The remainder of this chapter describes the general steps ECO used to implement the inventory. It is organized around lands inside and outside the UGB.

### 2.1 Land inside the UGB

The initial steps in the inventory include basic data processing. ECO used the UGB layer provided by the City (which was confirmed consistent with the 2015 boundary on the URA layer from the Oregon Geospatial Data Library) to “clip” tax lots within the UGB. ECO then merged in plan designation data.

Some tax lots clearly had split plan designations. While the rule does not address split plan designations, ECO and the City agreed they were too significant to ignore. For the Newberg BLI, ECO and the Community Development Director reviewed maps and agreed on specific tax lots with split plan designations to split. Any lot with a split over two acres was evaluated; any lot with at least 0.5 acre in a split was split. This included several lots with three plan designations.

#### Residential Land

Division 38 has specific language for how residential land is inventoried. The general steps are as follows:

1. Assign a density class to each plan designation (OAR 600-038-0060(1)). Division 38 requires each parcel be identified as low-, medium-, or high-density residential based on a set of prescribed densities. ECO reviewed the Newberg Comprehensive Plan and discussed it with City staff. Residential lands were coded into Division 38 categories as shown in Exhibit 1.

**Table 1. Newberg Plan Designations and Division 38 Density Categories**

<b>Plan Designation</b>	<b>Density Class</b>
LDR	LDR
LDR/1A	LDR
LDR/SP	LDR
LDR-6.6	LDR
SD/LDR	LDR
MDR	MDR
MDR/RD	MDR
MDR/SP	MDR
MIX/SP	MDR
SD/MRR	MDR
HDR	HDR
HDR/SP	HDR

2. Assign improvement (development status). Division 38 has thresholds for determination of improvement status—Vacant, Partially Vacant, Developed. The city must identify all vacant lots and parcels with a residential comprehensive plan designation as described in OAR 660-038-0060((2)).
  - i. A city shall assume that a lot or parcel is vacant if it is at least 3,000 square feet with a real market improvement value of less than \$10,000.*
  - ii. (3) The city must identify all partially vacant lots and parcels with a residential comprehensive plan designation, as follows: (a) For lots and parcels at least one-half acre in size that contain a single-family residence, the city must subtract one-quarter acre for the residence, and count the remainder of the lot or parcel as vacant land*
  - iii. (b) For lots and parcels at least one-half acre in size that contain more than one single-family residence, multiple-family residences, non-residential uses, or ancillary uses such as parking areas and recreational facilities, the city must identify vacant areas using an orthophoto or other map of comparable geometric accuracy. For the purposes of this identification, all publicly owned park land shall be considered developed. If the vacant area is at least one-quarter acre, the city shall consider that portion of the lot or parcel to be vacant land.*
  - iv. All other residential is classified as “Developed.”*
3. Deduct constraints. OAR 660-0380-0070 describes the methods:
  - (a) Floodways and water bodies.
  - (b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;
  - (c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;
  - (d) Contiguous lands of at least one acre with slopes greater than 25 percent.

- (e) Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and
- (f) Lands subject to development prohibitions, natural resource protections, or both in acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 15, 16, 17, or 18.

The rule provides guidance for how much land can be deducted for each constraint.

<b>Constraint</b>	<b>Deduction</b>
(a) Floodways and water bodies.	100%
(b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;	100%
(c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;	no reduction unless the acknowledged comprehensive plan or land use regulations prohibits or reduces residential development
(d) Contiguous lands of at least one acre with slopes greater than 25 percent.	For lands with slopes that are greater than 25 percent: a 100 percent reduction. However, if the lot or parcel includes land with slopes less than 25 percent, the reduction applies only to the land with slopes greater than 25 percent.
(e) Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and	a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.
(f) Lands subject to development prohibitions, natural resource protections, or both in acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 15, 16, 17, or 18.	a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

4. Summarize results. This is a standard BLI step—develop maps and tables that summarize the results of the BLI and show the geographic location of lands.

## Employment Land

Division 38 has specific language for how residential land is inventoried. The general steps are as follows:

1. Classify land as commercial or industrial. Division 38 requires classification of zoning and plan map districts as “commercial” or “industrial” based on the applicable definitions in OAR 660-038-0010. This step also identifies all employment lands that will be included in the inventory.

2. Assign improvement (development status). The city must identify which lots or parcels are vacant, partially vacant, or developed and calculate the total area of such land using the provisions of OAR 660-038-0120(2):
  - (a) *A city may assume that a lot or parcel is vacant if the real market improvement value is less than \$5,000 or if the real market improvement value is less than or equal to 5 percent of the real market land value.*
  - (b) *A city may assume that a lot or parcel is partially vacant if either:*
    - (A) *The real market improvement value of the lot or parcel is greater than five percent and less than 40 percent of the real market land value, in which case, the city must assume that 50 percent of the lot or parcel is developed and 50 percent is vacant, or*
    - (B) *Based on an orthomap, the lot or parcel is greater than one acre in size and at least one-half acre is not improved.*
  - (c) *A city may assume that a lot or parcel is developed if the real market improvement value is greater than or equal to 40 percent of the real market land value.*
3. Deduct constraints. OAR 660-0380-0070 describes the methods:
  - (a) *Floodways and water bodies. For the purpose of this subsection, "water bodies" includes:*
    - (A) *Rivers; and*
    - (B) *Lakes, ponds, sloughs, and coastal waters at least one-half acre in size;*
  - (b) *Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;*
  - (c) *Lands within the tsunami inundation zone established pursuant to ORS 455.446;*
  - (d) *Contiguous lands planned and zoned for commercial use of at least one acre with slopes that are greater than 25 percent. For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;*
  - (e) *Contiguous lands planned and zoned for industrial use of at least one acre with slopes that are greater than 10 percent. For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;*
  - (f) *Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and*
  - (f) *Lands subject to development prohibitions, natural resource protections, or both, in an acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goals 15, 16, 17, or 18.*

The rule provides guidance for how much land can be deducted for each constraint.

<b>Constraint</b>	<b>Deduction</b>
(a) Floodways and water bodies.	a 100 percent reduction.
(b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;	For other lands within the Special Flood Hazard Area (SFHA) as identified on the applicable Flood Insurance Rate Map (FIRM), either (at the city's option): (A) A 50 percent reduction, or (B) A reduction to the levels required by the acknowledged comprehensive plan or land use regulations.
(c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;	no reduction unless the acknowledged comprehensive plan or land use regulations prohibits or reduces residential development
(d) Contiguous lands planned and zoned for commercial use of at least one acre with slopes that are greater than 25 percent. For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;	Contiguous lands of at least one acre with slope greater than 25 percent: a 100 percent reduction
(e) Contiguous lands planned and zoned for industrial use of at least one acre with slopes that are greater than 10 percent. For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;	For lands designated for industrial use, contiguous lands of at least one acre with slope greater than 10 percent: a 100 percent reduction, provided that a lot or parcel with slopes greater than 10 percent that has at least five contiguous acres with slopes less than 10 percent, this authorized reduction does not apply to those areas.
(f) Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and	a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.
(f) Lands subject to development prohibitions, natural resource protections, or both, in an acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goals 15, 16, 17, or 18.	a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

4. Summarize results. This is a standard BLI step—develop maps and tables that summarize the results of the BLI and show the geographic location of lands.

## Defining the UGB Study Area

Division 38 has specific language for how residential land is inventoried. The general steps are as follows—a more detailed description is presented in Appendix B. Division 38 has specific language for how residential land is inventoried. The general steps are as follows:

1. Identify any urban reserves. The ORS 197A.320 and Division 38 priority scheme makes exception lands and urban reserves the same priority.
2. Establish “preliminary” study area. This step involves UBG buffers dependent on population. For Newberg, these were 1 and 1.5 mile buffers. Lands within other UGBs are excluded. We note that we did not exclude constrained lands at this step. Lands across the Willamette River and in the Dundee UGB were excluded.
3. Adjust study area to include 2x need. We could not do this step because the PSU PRC data will not be available until the end of June 2017 because of ORS requirements. This effectively delays Region 3 from using Division 38 fully. For the purpose of this study we assume that the approximately 10,000 acres within the study area will be more than double land need.
4. Exclude land that is impractical to serve. Because we did not know the specific need, we did not make such deductions. The size of the URA and UGB study area suggest that the City should be able to meet a 14-year land need within the study area after making deductions for constraints. Moreover, the serviceability requirements outlined in Division 38 are unclear and untested and cannot be calculated at this initial level of evaluation.

Appendix A describes the methods used to create the study area in detail.

## 3. Newberg Buildable Land Inventory

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This chapter presents the results of the Newberg BLI using the Division 38 methodology. The results are organized into three sections:

1. Overview. This section summarizes basic data about the three areas of interest for this BLI—the UGB, the Urban Reserve Areas, and the UGB study area.
2. Land in the Newberg UGB. This section presents the results of the Division 38 BLI for lands inside the Newberg UGB.
3. Land in the Newberg UGB Study Areas. This section presents results for the UGB Study Area. It includes a summary of land within Newberg’s Urban Reserve Areas (URAs) as well as lands within the UGB study area as determined by the Division 38 rule.

The results are intended to support a potential future boundary amendment process by the City of Newberg.

### 3.1 Overview

ECO traditionally summarizes basic attributes of study areas in our BLIs. We do this to provide context—how big is the UGB? How many acres are in tax lots? How much land is in roads and water? These statistics deepen our understanding of land use in a UGB.

Table 2 shows that Newberg has 4,476 acres within its UGB. Seventy percent of that land (3,072 acres) is in private tax lots. About 687 acres (15% is in federal, state or local public ownership), and about 717 acres (16%) are in roads or other right-of-ways.

**Table 2. Summary of Study Areas**

<b>Location/Attribute</b>	<b>Acres</b>
<b>UGB</b>	<b>4,476</b>
Area in Private Tax Lots	3,072
Public Land in Tax Lots	687
Roads/Right-of-Way	717
<b>URA</b>	<b>551</b>
Area in Private Tax Lots	527
Area in Roads	24
<b>Buffer (outside UGB and URA)</b>	
1-mile	4,700
1.5-mile	10,069

Source: Newberg and Yamhill County GIS data; analysis by ECONorthwest



Table 3 shows area by generalized plan designation in the Newberg UGB. This analysis is from the City Comprehensive Plan map GIS layer and includes areas not in tax lots. Slightly more than half (51%) of land in the City is in a residential plan designation. The actual amount of land in residential designations is higher, as some of the mixed-use land can be used for housing, and a lot of the Springbrook master planned area is designated for residential uses.<sup>1</sup> Lands in the Springbrook master planned area are inventoried consistent with Division 38 standards and are not called out separately in subsequent tables.

**Table 3. Area by Generalized Plan Designation, Newberg UGB**

Generalized Plan Designation	Percent of	
	Acres	Acres
Commercial	281	6%
Industrial	533	12%
Low Density Residential	1,232	28%
Medium Density Residential	888	20%
High Density Residential	152	3%
Mixed-Use	196	4%
Public	707	16%
Springbrook Master Plan	487	11%
<b>Total</b>	<b>4,475</b>	<b>100%</b>

Source: Newberg Comprehensive Plan Designation; analysis by ECONorthwest

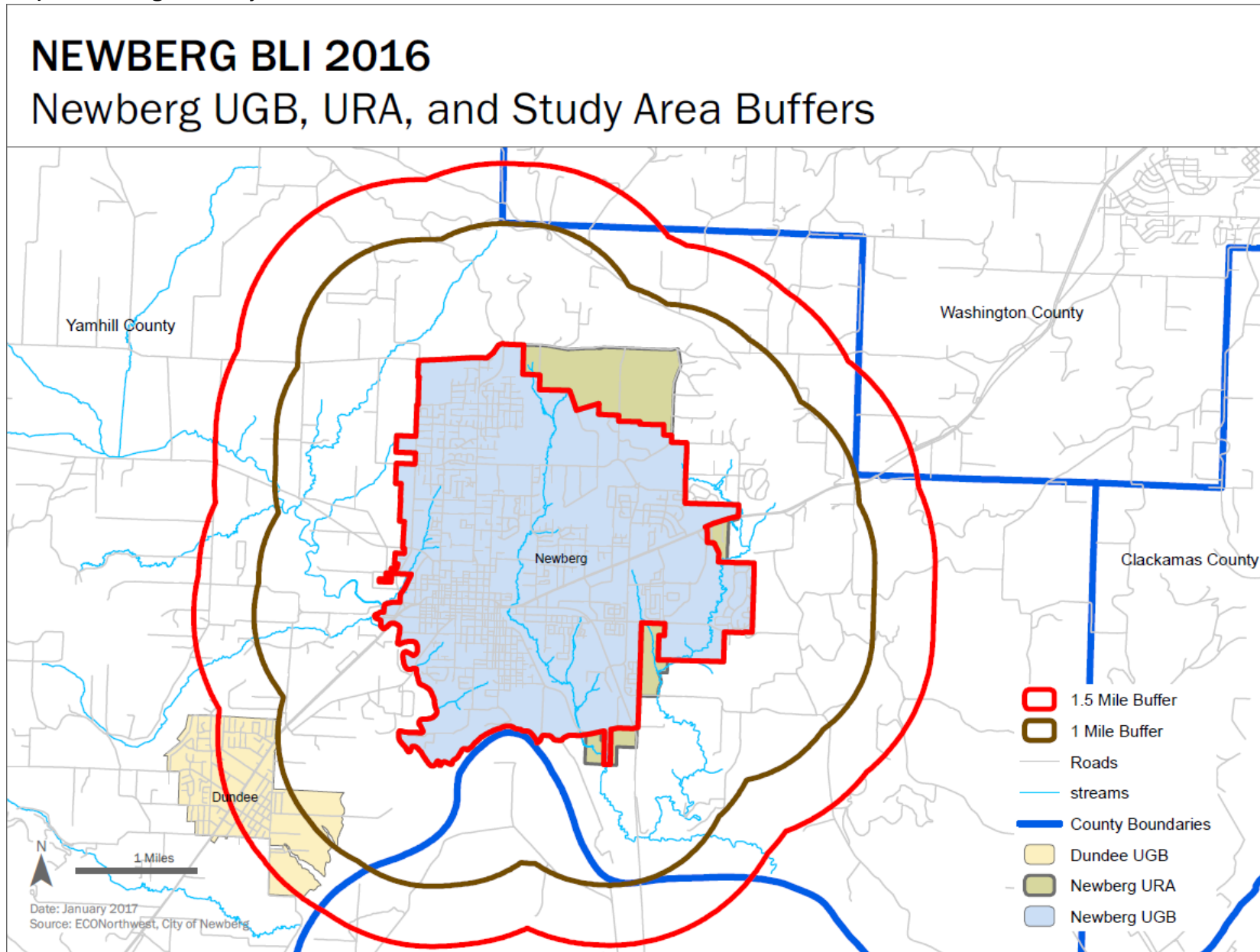
Note: Table 3 includes land in right-of-way, water, and other areas not in tax lots.

Acres are for all land in plan designations, including land in water and right of way; subsequent tables (starting with Table 4) show only land in tax lots.

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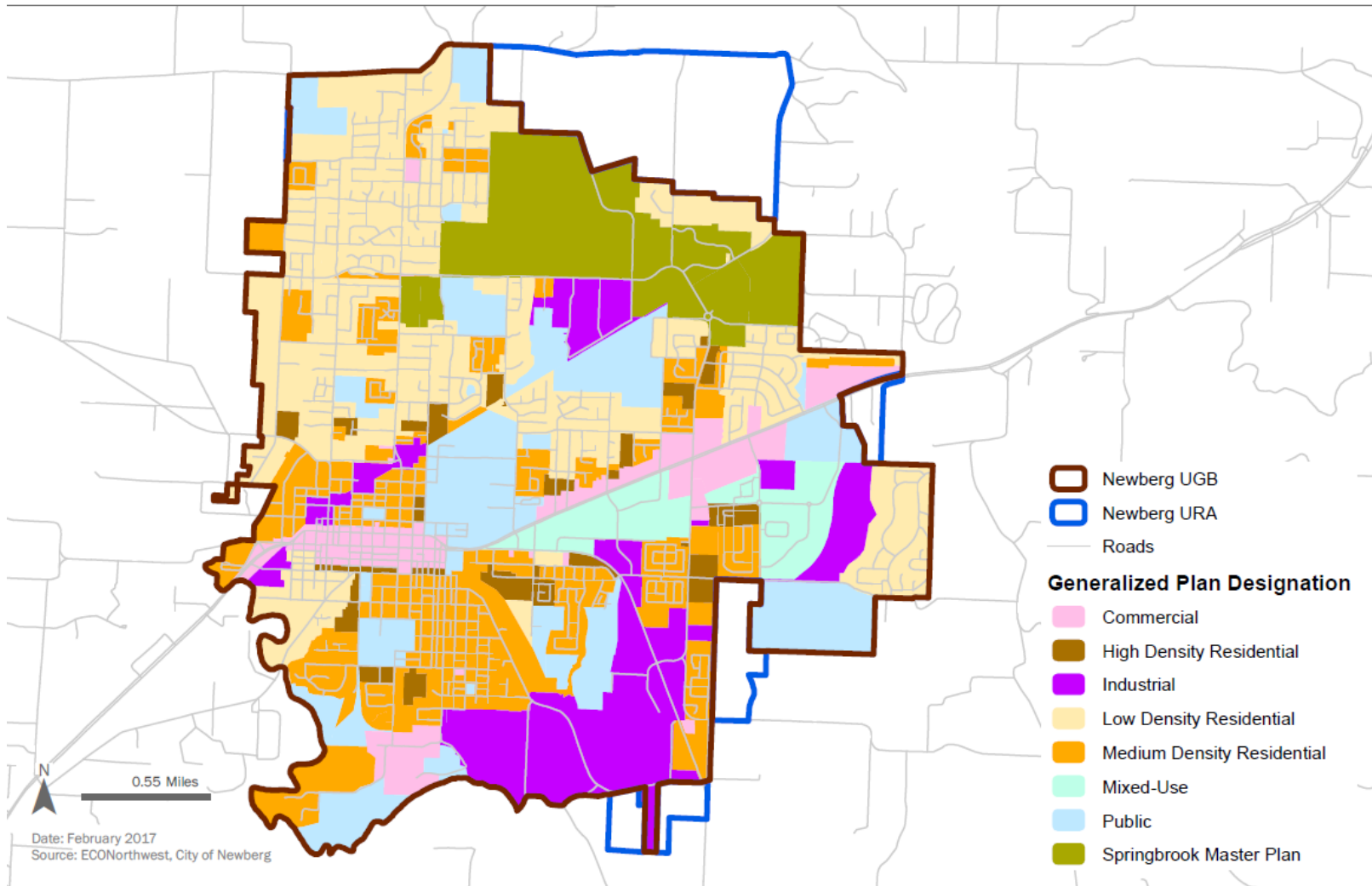
<sup>1</sup> The Springbrook Master Plan area includes land designated for housing, employment, and parks/open space. In the Master Plan, approximately 361 acres are designated for residential uses., 32 acres for employment, 13 acres for commercial uses, and 39 acres for a hospitality district. The remaining land is designated for park or open space.

Map 1. Newberg BLI Study Area Buffers



# NEWBERG BLI 2016

## Newberg UGB Generalized Plan Designation



## 3.2 Lands in the Newberg UGB

Every UGB review starts with an inventory of lands within the current boundary. This provides the foundational data to assess capacity for new housing and employment. Because Division 38 uses different methods for residential and employment lands, we divide the results into two sections.

### Residential Land

Table 4 and Map 3 show residential land by development status and density. The results show that Newberg has about 2,192 acres in tax lots with residential plan designations. About 60% of all residential land in Newberg is in the low-density (LDR) category, 35% is in the MDR, and 6% in the HDR. Applying the Division 38 rules, about 948 acres were classified as “developed”, 790 as “partially vacant,” and 454 as “vacant.”

**Table 4. Residential Land by Division 38 Development Status and Density, Newberg UGB, 2016**

Status	Density Category			Total
	LDR	MDR	HDR	
Developed	564	350	33	948
Partially Vacant	448	261	81	790
Vacant	279	162	12	454
<b>Total</b>	<b>1,292</b>	<b>773</b>	<b>127</b>	<b>2,192</b>

Source: Newberg and Yamhill County GIS data; analysis by ECONorthwest

Table 5 shows all residential land by density class and constraint status. The result show 1,061 acres with improvements on developed or partially vacant tax lots. About 952 acres are vacant after deducting constraints consistent with Division 38 rules.

**Table 5. Residential Land by Division 38 Density Class and Constraint Status, Newberg UGB, 2016**

Div 38 Density Class	Tax Lots	Total Acres	Improved Acres	Constrained Acres	Vacant Acres
LDR	3,339	1,292	634	93	565
MDR	2,800	773	385	77	311
HDR	407	127	42	9	76
<b>Total</b>	<b>6,546</b>	<b>2,192</b>	<b>1,061</b>	<b>179</b>	<b>952</b>

Source: Newberg and Yamhill County GIS data; analysis by ECONorthwest

Table 6 shows the vacant area of vacant and partially vacant tax lots. The results show that about 52% of vacant and partially vacant residential tax lots are LDR, 40% MDR, and 8% HDR. With respect to area, 59% of vacant acres are in LDR, 33% in MDR, and 8% in HDR.

**Table 6. Vacant and Partially Vacant, Residential Land by Division 38 Density Class-, Newberg UGB, 2016**

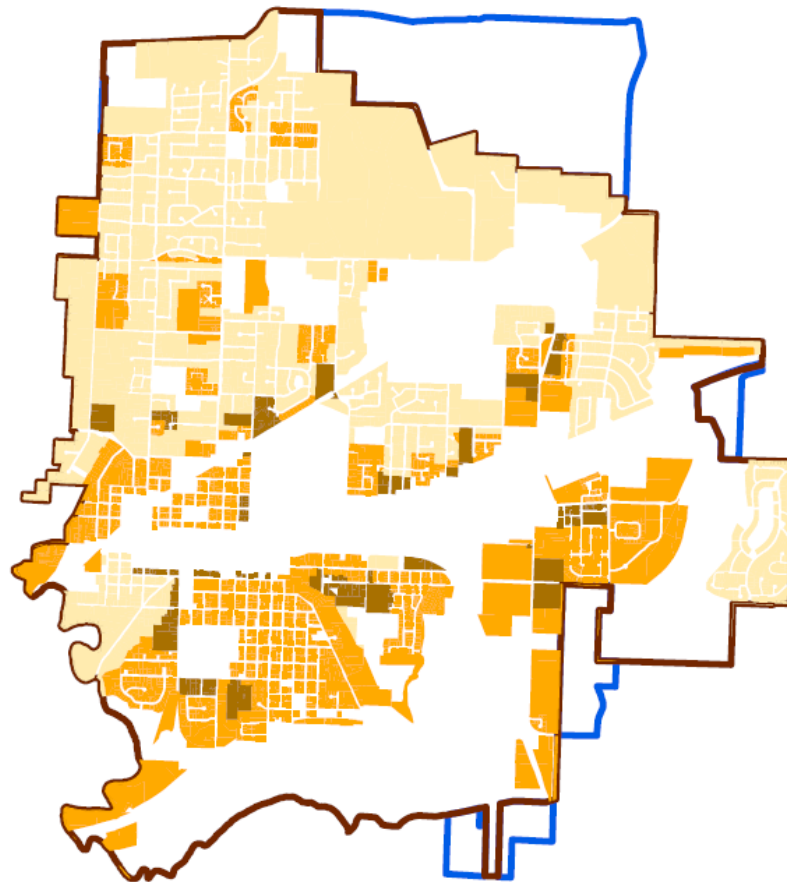
<b>Div 38 Density Class</b>	<b>Tax Lots</b>	<b>Percent of Tax Lots</b>	<b>Vacant Acres</b>	<b>Percent of Vacant Acres</b>
LDR	349	52%	565	59%
MDR	264	40%	311	33%
HDR	52	8%	76	8%
<b>Total</b>	<b>665</b>	<b>100%</b>	<b>952</b>	<b>100%</b>

Map 4 shows vacant and partially vacant residential land by density class. Map 5 adds constraints to the map.

Map 3. All Residential Land by Division 38 Density Class

# NEWBERG BLI 2016

## Division 38 - Residential Density Class



Plan Designation	Density Class
LDR	LDR
LDR/1A	LDR
LDR/SP	LDR
LDR-6.6	LDR
SD/LDR	LDR
MDR	MDR
MDR/RD	MDR
MDR/SP	MDR
MIX/SP	MDR
SD/MRR	MDR
HDR	HDR
HDR/SP	HDR

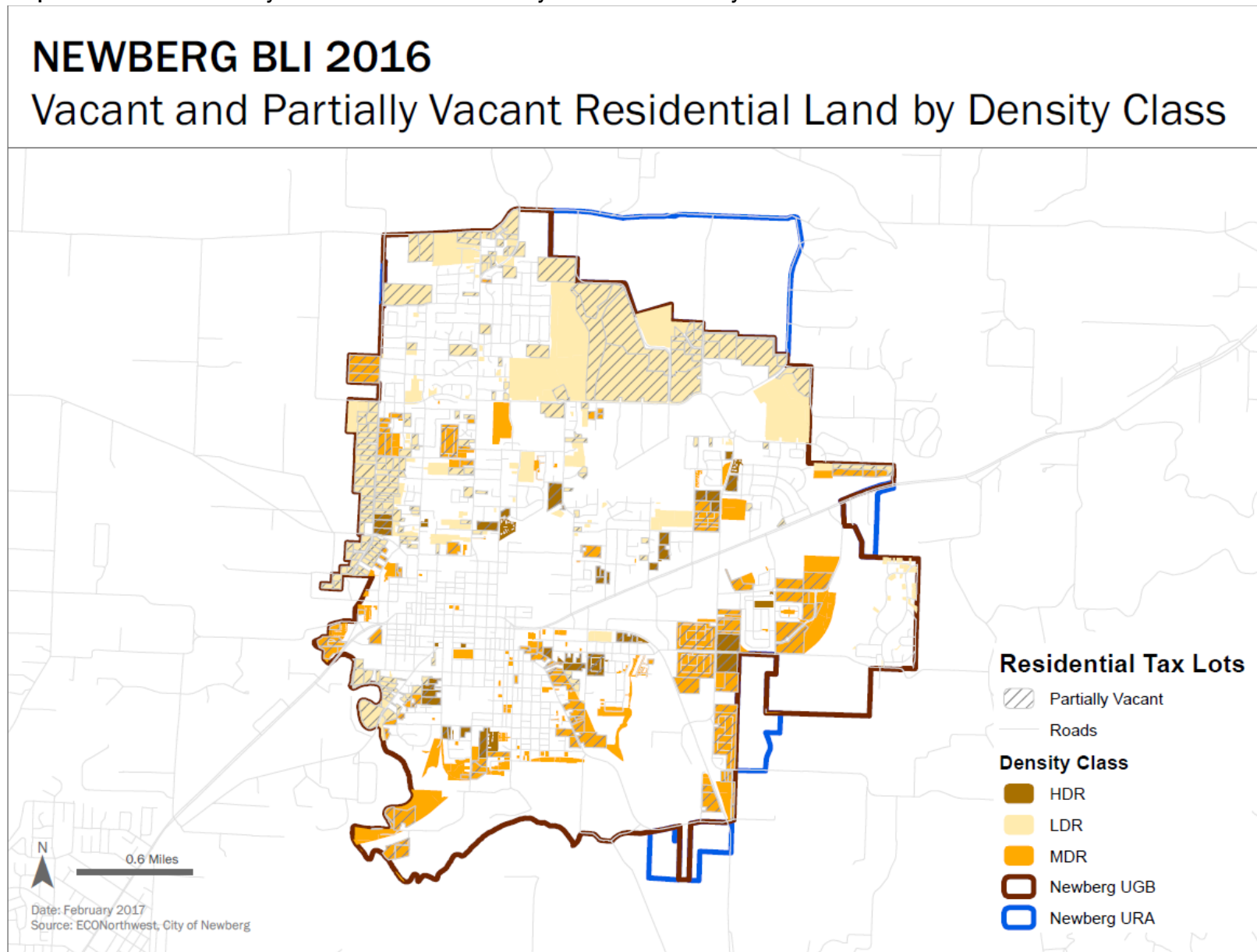
### Density Class

- HDR
- LDR
- MDR
- Newberg UGB
- Newberg URA

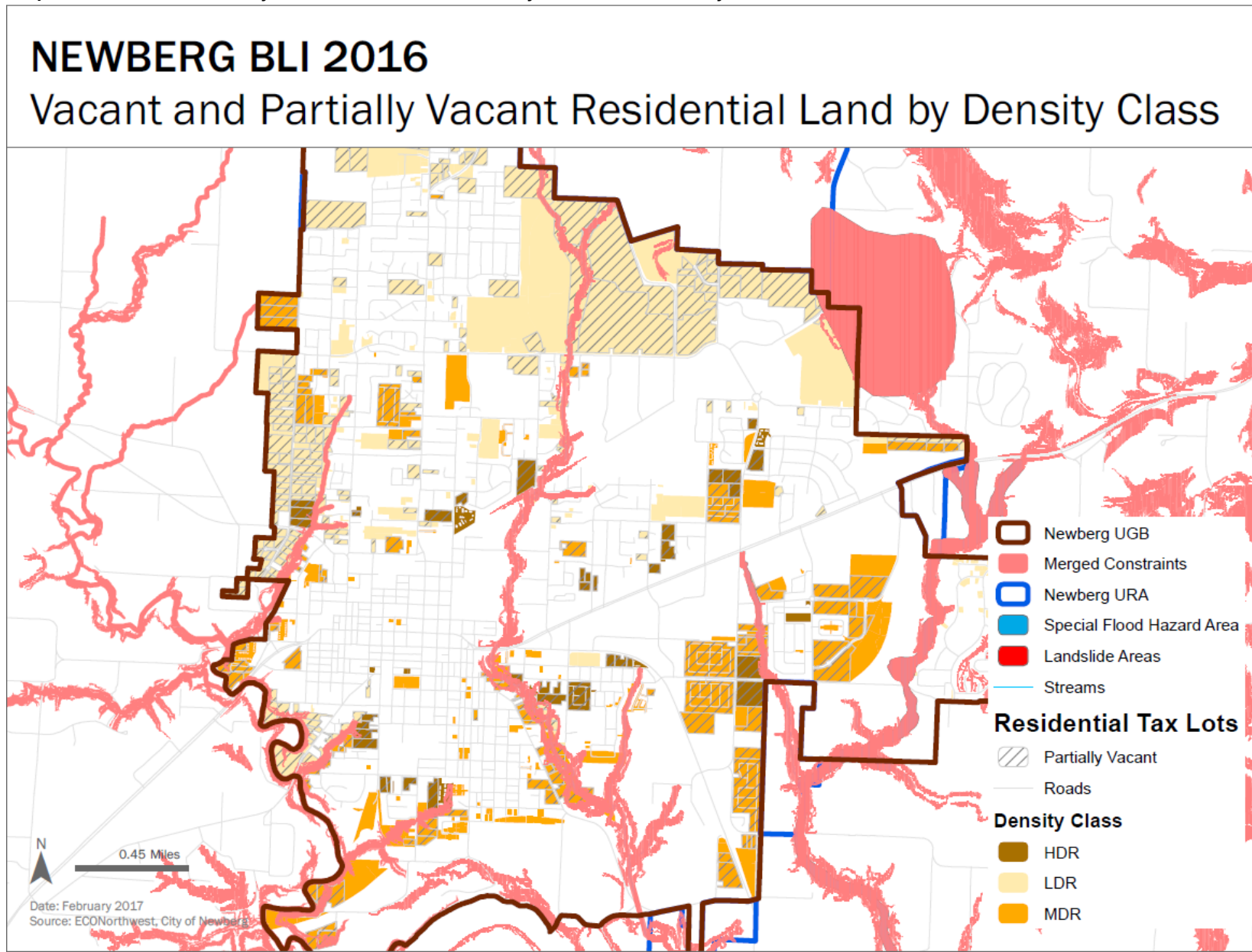


Date: February 2017  
 Source: ECONorthwest, City of Newberg

Map 4. Vacant and Partially Vacant Residential Land by Division 38 Density Class



Map 5. Vacant and Partially Vacant Residential Land by Division 38 Density Class and Constraint Status





## Employment Land

The Division 38 rule requires commercial and industrial lands to be analyzed separately. The key difference is in how the rules treat constraints on commercial and industrial lands.

Table 7 shows all commercial land by development and constraint status. The results show that Newberg has about 381 acres of commercial land. About 146 acres are vacant without constraints.

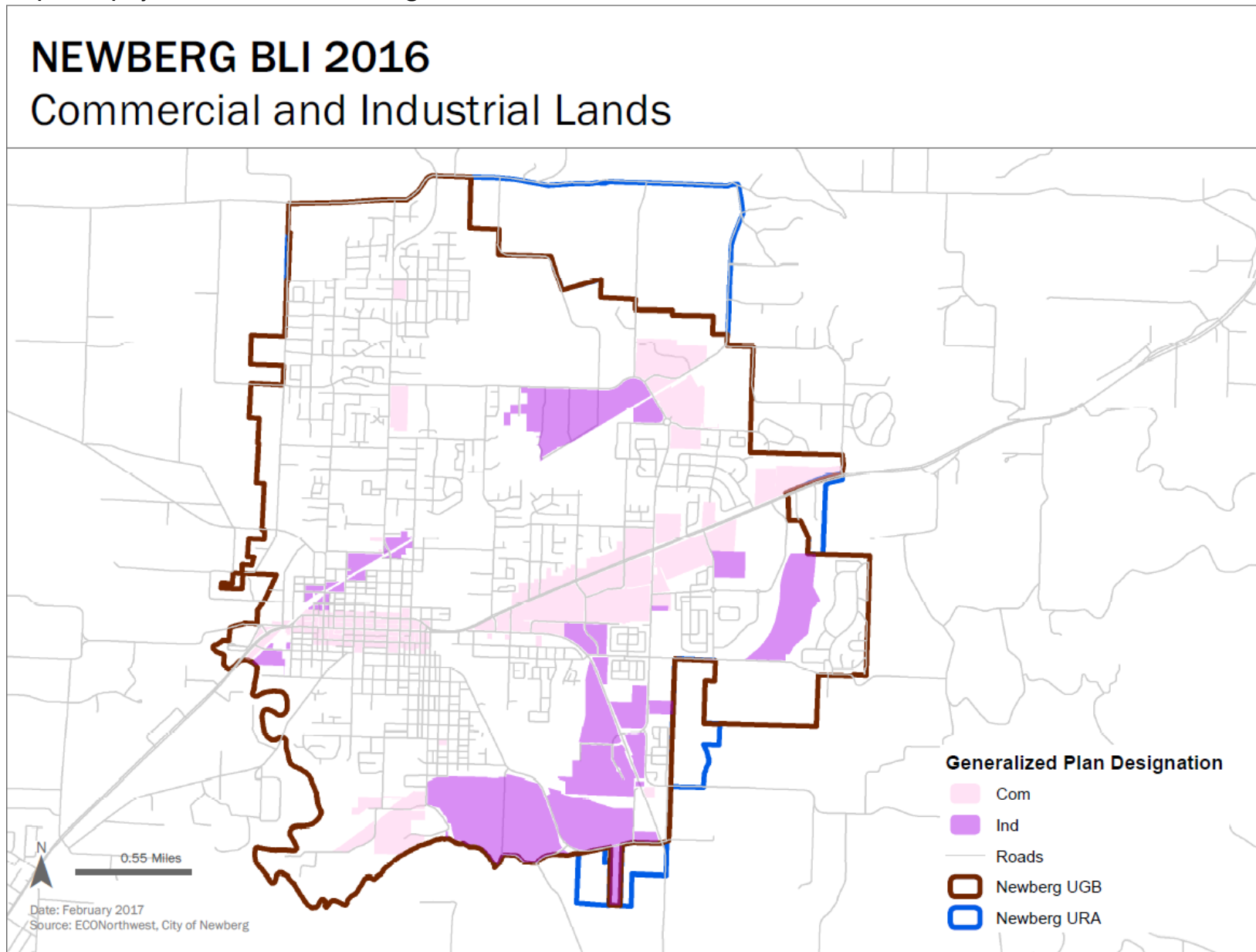
**Table 7. All Commercial Land by Development and Constraint Status, Newberg UGB, 2016**

<b>Development Status</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Vacant Acres</b>
Developed	275	218	212	6	0
Partially Vacant	64	46	13	1	32
Vacant	91	118	0	4	114
<b>Total</b>	<b>430</b>	<b>381</b>	<b>225</b>	<b>10</b>	<b>146</b>

Source: Newberg and Yamhill County GIS data; analysis by ECONorthwest

Map 6 shows employment lands in the Newberg UGB. Map 7 shows vacant and partially vacant commercial land in the Newberg UGB. Map 8 adds constraints.

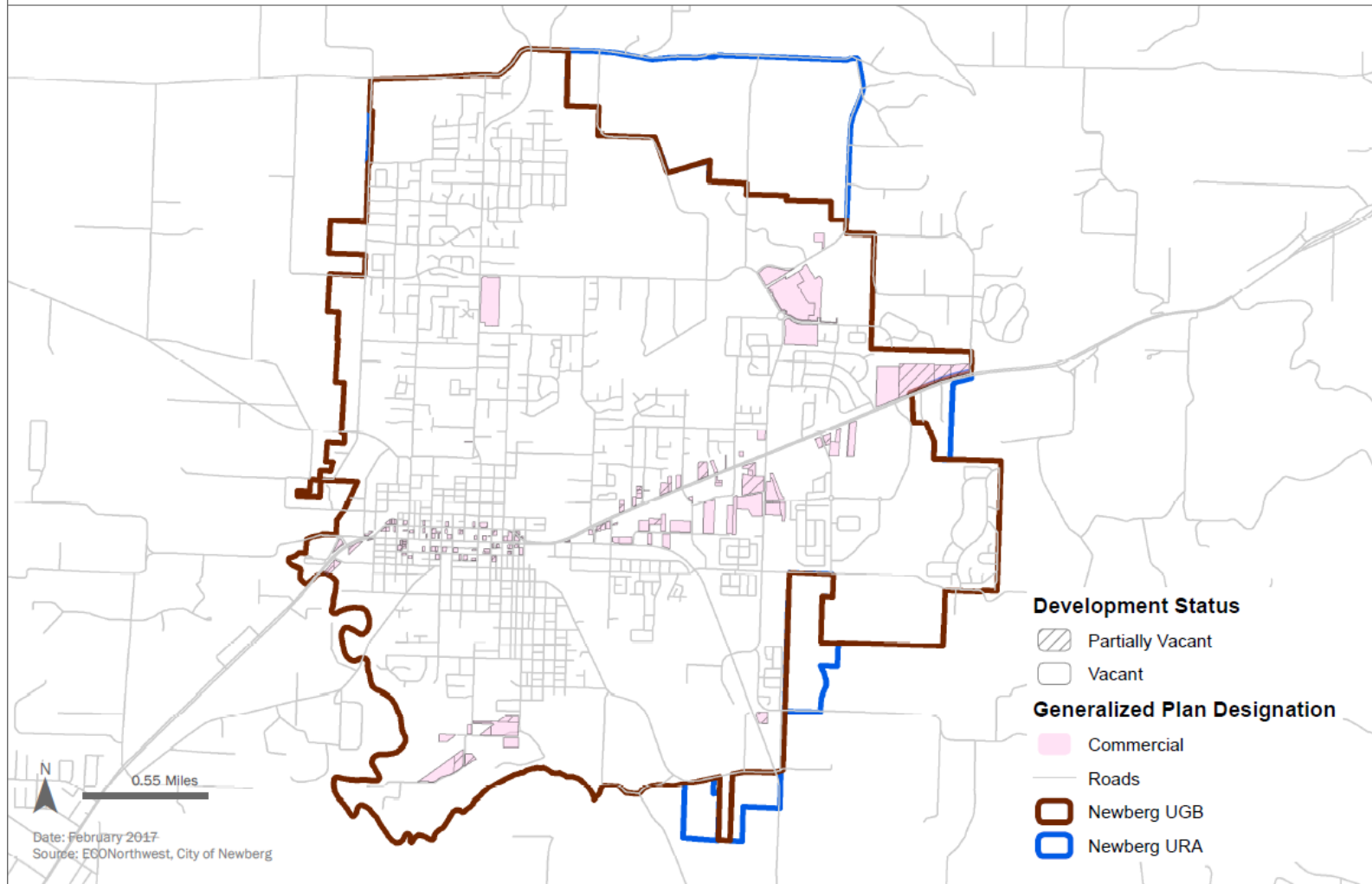
Map 6. Employment Lands in the Newberg UGB



Map 7. Vacant and Partially Vacant Commercial Land, Newberg UGB

# NEWBERG BLI 2016

## Vacant and Partially Vacant Commercial Lands



Map 8. Vacant and Partially Vacant Commercial Land and Constraints, Newberg UGB

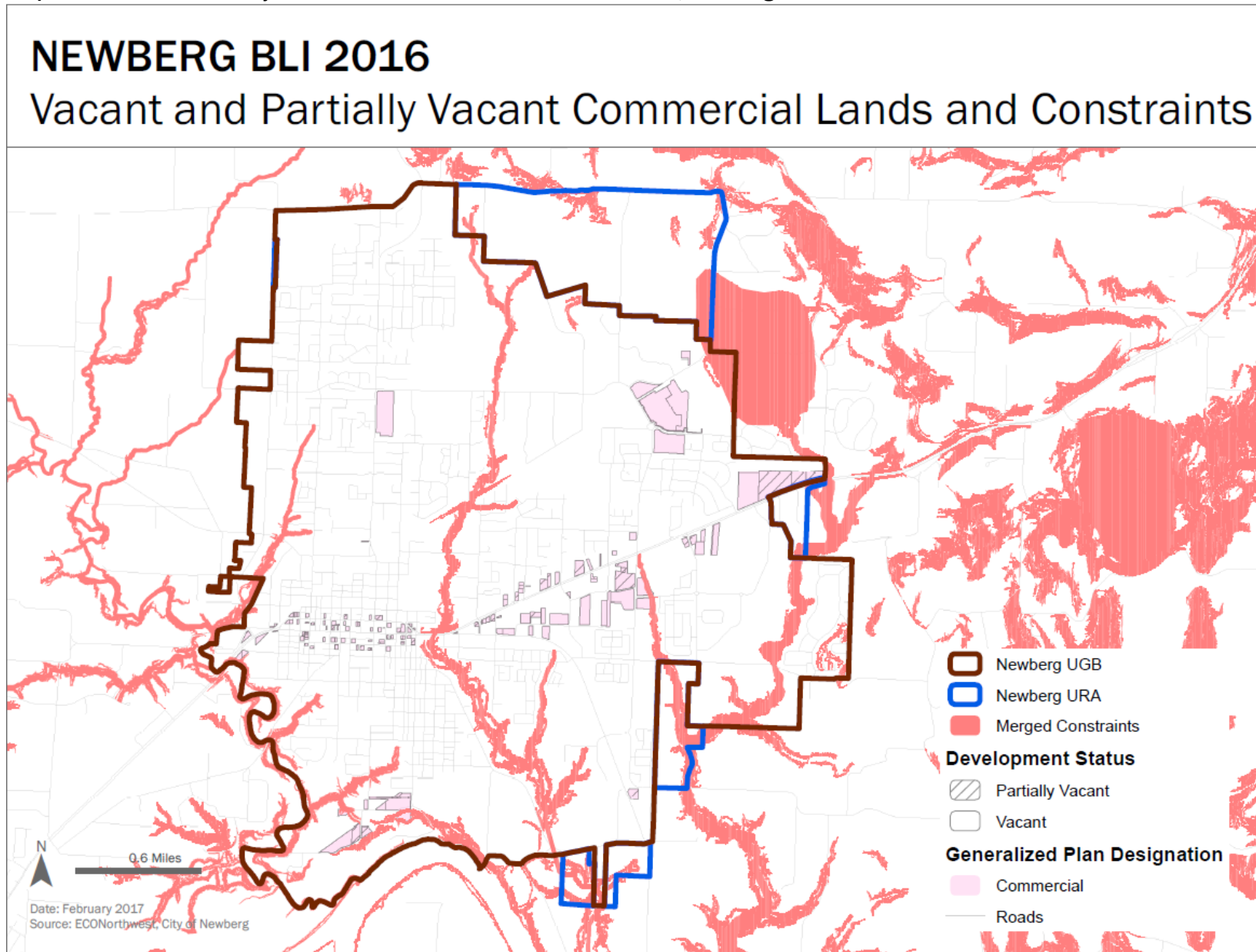


Table 8 shows industrial land in the Newberg UGB by development and constraint status. The results show that Newberg has 479 acres of industrial land. Of that land, 326 are developed, 64 constrained, and 89 vacant.

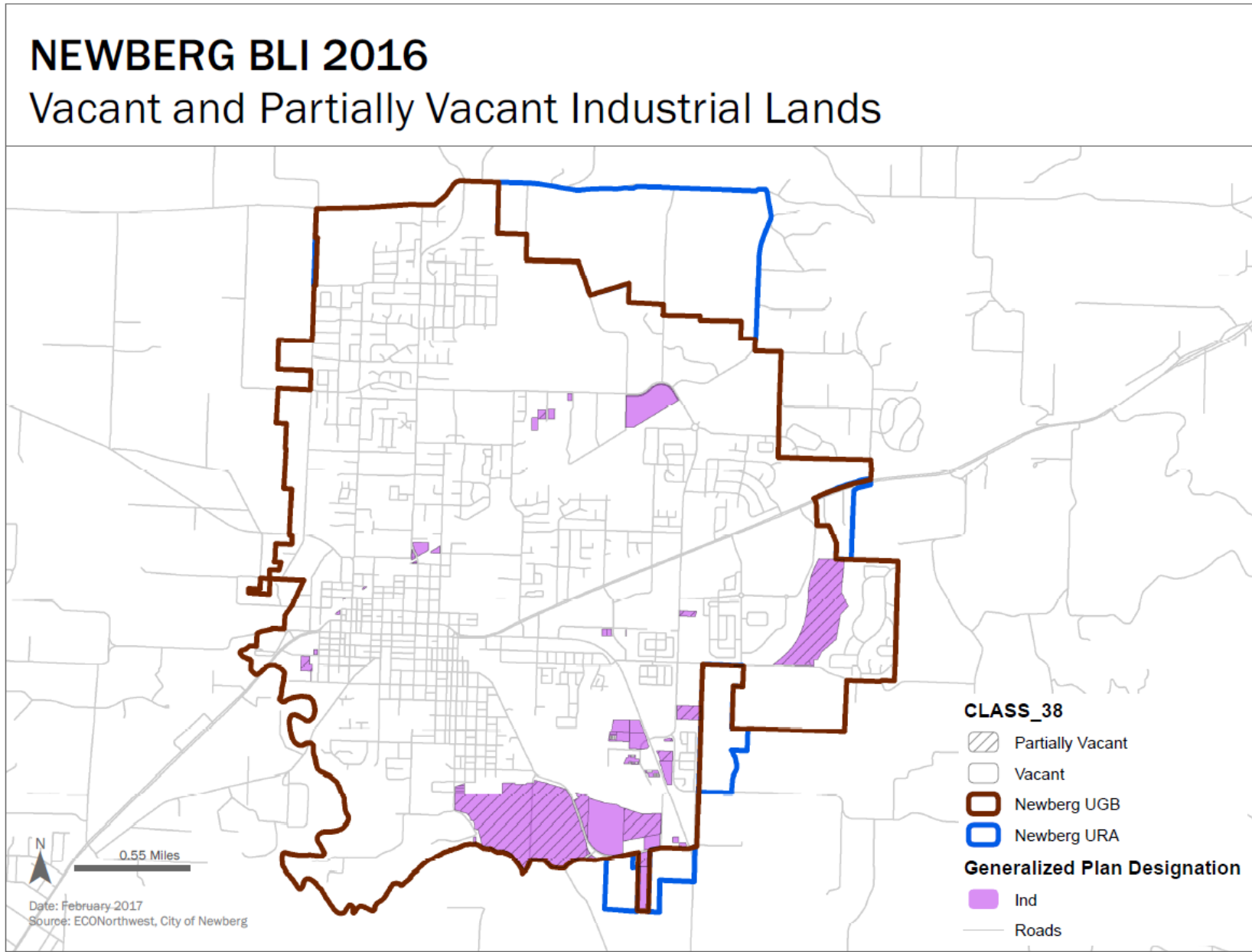
**Table 8. All Industrial Land by Development and Constraint Status, Newberg UGB, 2016**

<b>Development Status</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Vacant Acres</b>
Developed	121	197	182	15	0
Partially Vacant	11	200	144	36	19
Vacant	44	82	0	13	70
<b>Total</b>	<b>176</b>	<b>479</b>	<b>326</b>	<b>64</b>	<b>89</b>

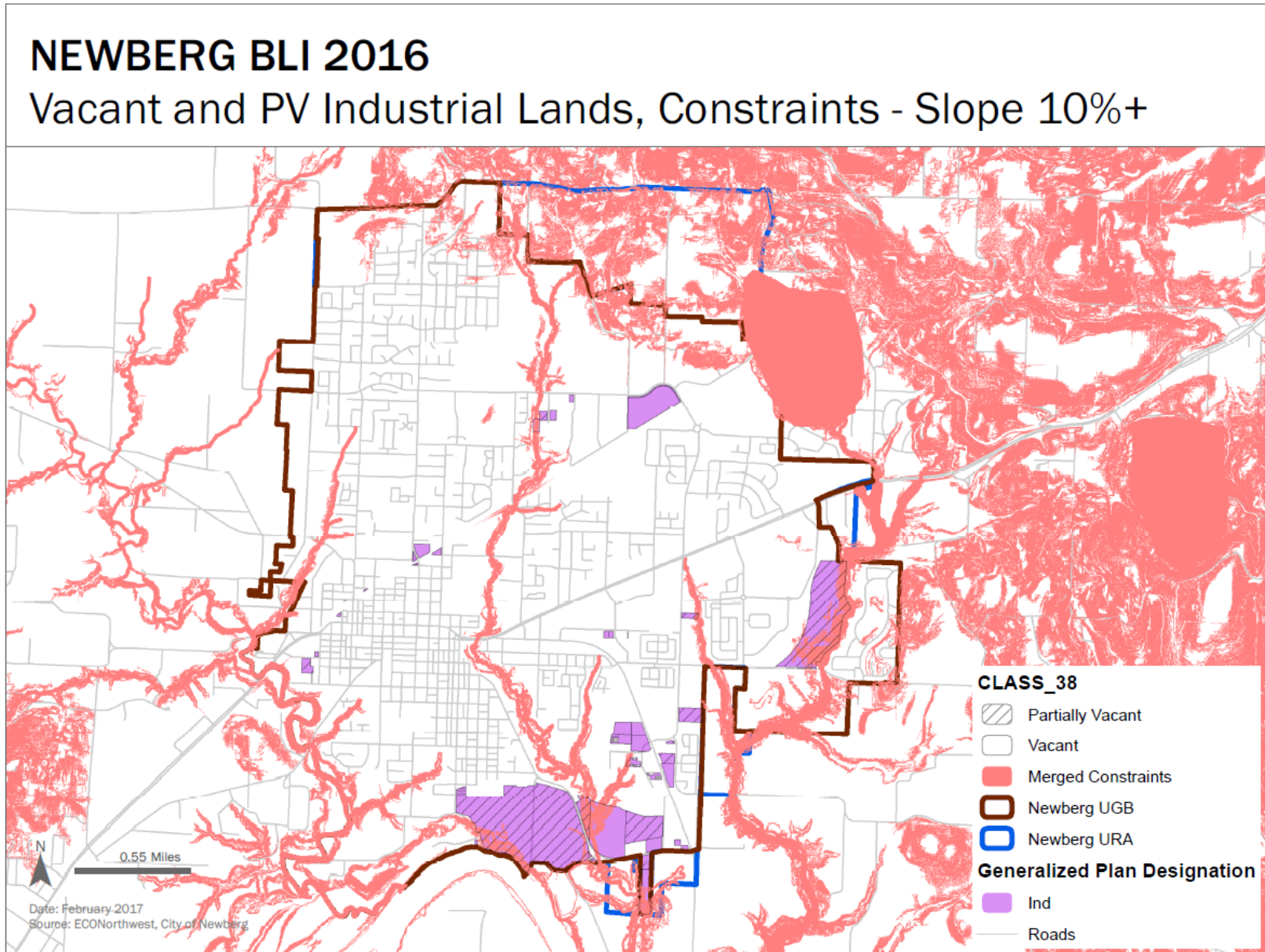
Source: Newberg and Yamhill County GIS data; analysis by ECONorthwest

Map 9 shows vacant and partially vacant industrial land in the Newberg UGB. Map 10 adds constraints.

Map 9. Vacant and Partially Vacant Industrial Land, Newberg UGB



Map 10. Vacant and Partially Vacant Industrial Land and Constraints, Newberg UGB



### 3.3 UGB Study Area (Outside Existing UGB)

OAR 660-038-0160 provides detailed guidance on establishing the study area to evaluate land for inclusion in the UGB. The full text of the requirements is included in Appendix B. For this discussion, we focus on the applicable standards. The rule divides the study area determination into two phases: (1) the preliminary study area; and (2) the final study area. Appendix A describes the steps used to define the study area.

The City of Newberg has Urban Reserve Areas adopted under OAR 660-021. Under the ORS 197A.320 priority scheme, urban reserves and exceptions lands within the UGB study area are first priority for inclusion in the UGB.

Table 9 summarizes lands in Newberg’s URAs and the Division 38 study area. Newberg has a total of 527 acres in 122 tax lots. The average tax lot size in the URAs is 4.3 acres. Excluding the URAs, the Division 38 determined study area includes 10,109 acres in 1,697 tax lots. The average tax lot size in the UGB study area is 6.0 acres.

To define the study area, we included the entire area of any tax lot that was within or intersected the required 1.0 and 1.5 mile buffers. Analyzed by zoning, the study area includes 4,337 acres in 1,293 tax lots considered exceptions areas. The average tax lot size for exceptions lands within the UGB study area is 3.4 acres. The study area also includes 5,772 acres in 404 tax lots with resource zoning (e.g., exclusive farm or forest zones). Not surprisingly, the average size of tax lots with resource zoning was, at 14.3 acres, much larger than exceptions lands.

**Table 9. Summary of Lands in Newberg Urban Reserve Areas and Division 38 UGB Study Area**

Area	Tax Lots	Acres	Average Lot Size (ac)
<b>Urban Reserve</b>			
All land in taxlots	122	527	4.3
<b>UGB Study Area (outside URA)</b>			
All land in taxlots	1,697	10,109	6.0
Exceptions Areas	1293	4,337	3.4
Resource land	404	5,772	14.3

Map 11 shows the study area with a 25% slope and other constraints; Map 12 shows the study area with a 10% slope. The 10% slope is significant as Division 38 allows cities to assume that lands with contiguous areas over 10% slope in tax lots smaller than 5 acres are unsuitable for industrial development.

We struggled with classifying lands outside the UGB. The rules for determining “suitability” of land in the UGB study area are confusing. The provisions are found in OAR 660-038-0170(5):

*With respect to section (1), a city must assume that vacant or partially vacant land in a particular priority category is “suitable” to satisfy a need deficiency identified in OAR 660-038-0080 or 660-038-0150, whichever is applicable, unless it demonstrates that the land cannot*



satisfy the need based on one or more of the conditions described in subsections (a) through (f) of this section:

**Comment:** Our interpretation is that subsection 5 applies to all lands within the study area.

*(a) Existing parcelization, lot sizes or development patterns of rural residential land make that land unsuitable for an identified employment need, as follows:*

*(A) Parcelization: the land consists primarily of parcels 2-acres or less in size, or*

*(B) Existing development patterns: the land cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure.*

**Comment:** OAR 660-038-0170(5)(a) clearly references employment land need; as such, parcelization and lot size can only be used as a screen for employment lands.

*(b) The land would qualify for exclusion from the preliminary study area under the factors in OAR 660-038-0160(2) but the city declined to exclude it pending more detailed analysis.*

**Comment:** Our interpretation is that subsection 5(b) applies to all lands within the study area.

*(c) The land is, or will be upon inclusion in the UGB, subject to natural resources protection under Statewide Planning Goals 5 such that that no development capacity should be forecast on that land to meet the land need deficiency.*

**Comment:** Our interpretation is that subsection 5(c) applies to all lands within the study area that is subject to Goal 5 protection. This evaluation requires the same level of analysis that a traditional BLI would require.

*(d) With respect to needed industrial uses only, the land is over 10 percent slope, as measured in the manner described in OAR 660-038-0160(5); is an existing lot or parcel that is smaller than 5 acres in size; or both.*

**Comment:** It is clear that this applies only to industrial land. To decipher this provision, we must refer to OAR 660-038-0160(5). That section has four subsections. While not entirely clear, we assume that this refers to (5)(a), which states: “Contiguous areas of at least five acres where 75 percent or more of the land has a slope of 25 percent or greater; provided that contiguous areas 20 acres or more that are less than 25 percent slope may not be excluded under this subsection. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;”

A strict application of this suggests that only lots of five acres or smaller, with a “Contiguous areas of at least five acres where 75 percent or more of the land has a slope.” Our interpretation is that would mean that for a five-acre lot, the slope over 10%

would need to cover 75% of the lot area or 3.75 acres. The rule does not address larger lots with slopes over 10%.

*(e) The land is subject to a conservation easement described in ORS 271.715 that prohibits urban development.*

**Comment:** Our interpretation is that subsection 5(e) applies to all lands within the study area that have conservation easements that prohibit urban development.

*(f) The land is committed to a use described in this subsection and the use is unlikely to be discontinued during the planning period:*

*(A) Public park, church, school, or cemetery, or*

*(B) Land within the boundary of an airport designated for airport uses, but not including land designated or zoned for residential, commercial or industrial uses in an acknowledged comprehensive plan or land use regulations.*

**Comment:** Our interpretation is that subsection 5(f) applies to all lands within the study area that have any of the listed uses.

*(6) For vacant or partially vacant lands added to the UGB to provide for residential uses:*

*(a) Existing lots or parcels one acre or less may be assumed to have a development capacity of one dwelling unit per lot or parcel. Existing lots or parcels greater than one acre but less than two acres shall be assumed to have an aggregate development capacity of two dwelling units per acre.*

**Comment:** Our interpretation is that subsection 6(a) applies to all lands within the study area that would be added for residential uses. It is not clear whether the capacity is for the total number of units on the lot, or for additional units. Because the City has not calculated land need or determined which lands are suitable for residential uses, this study does not include a capacity analysis.

In short, the language focuses on suitability, but does not provide guidance for when a tax lot might be deemed developed or committed—with the potential exception that lands that would be added for residential uses under two acres have specific capacity assumptions tied to them. In that sense, all land potentially has capacity. The rule allows consideration of parcelization as a suitability criteria. The direction is vague: *the land cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure.* To put some structure on this part of the analysis, we classified tax lots as follows:

- Developed: tax lots less than 0.5 acre with existing single-family dwellings
- Partially Vacant - <2 Ac: tax lots between 0.5 and 1.99 acres with more than \$10,000 in improvement value.

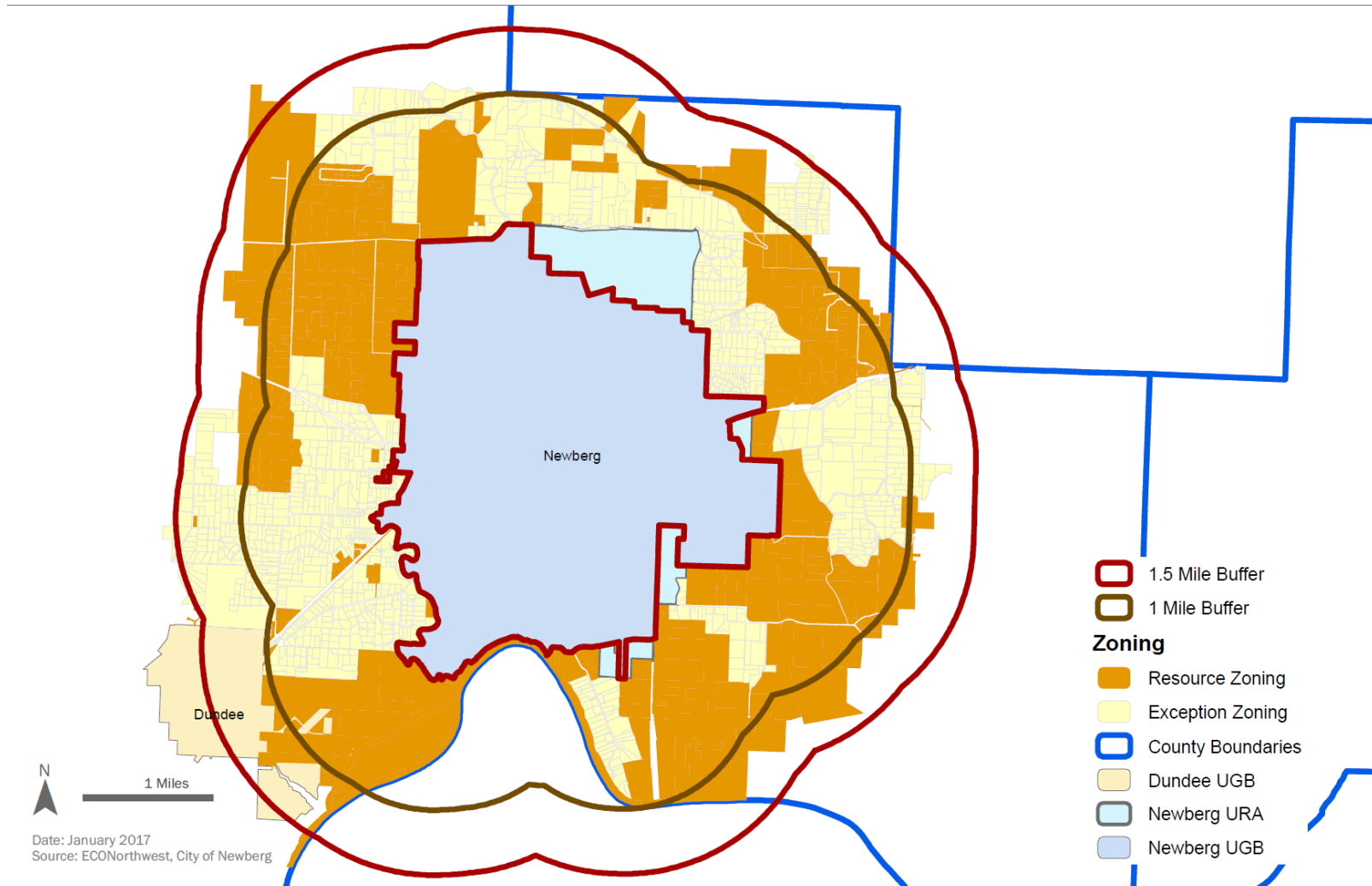
- Partially Vacant -  $\geq 2$  Ac: tax lots 2.0 acres and larger with more than \$10,000 in improvement value. We used aerial photo review to determine the vacant area of these tax lots.
- Vacant: tax lots of any size with  $< \$10,000$  of improvement value.

These interpreted aspects of the rules were applied to both the URAs as well as the UGB study areas. We note that if Newberg pursues a boundary amendment using the Division 38 rules, more analysis will be required that is specific to lands that would be added for residential or employment uses. The framework ECO developed is intended to provide structure to allow presentation of the results in a more meaningful manner.

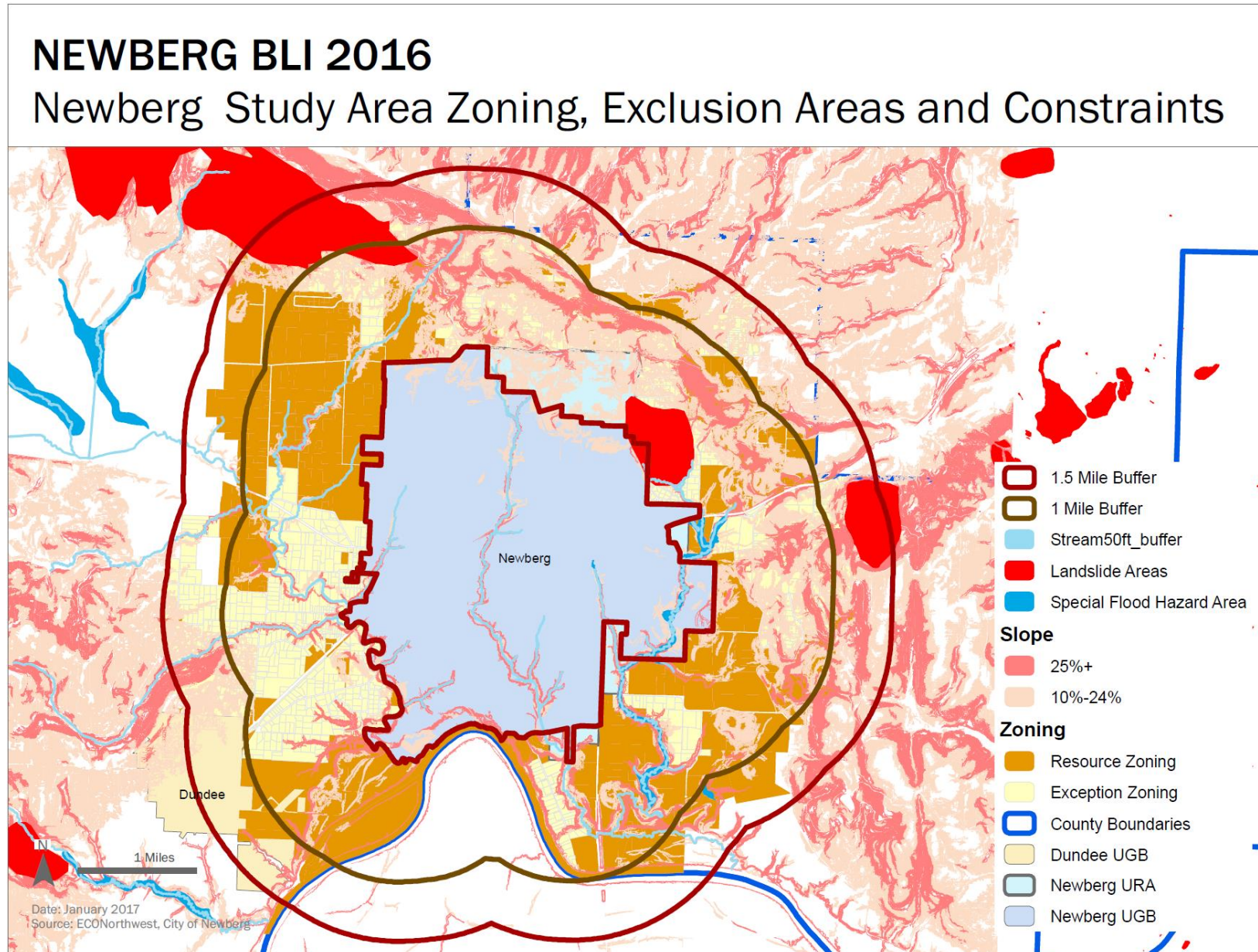
Map 11. Newberg Study Area, Buffers, Zoning, and Exclusion Areas (including 25% Slope Constraint)

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## Newberg Study Area Zoning, Exclusion Areas and Constraints



Map 12. Newberg Study Area, Buffers, Zoning, and Exclusion Areas (including 10% Slope Constraint)



## Urban Reserve Areas

Newberg established urban reserve areas as allowed by OAR 660-021. Prior to the 2016 revisions to ORS 197 and the establishment of the Division 38 rule, urban reserves were first priority lands for inclusion in a UGB. ORS 197A.320 changed the priority scheme to add exception lands as first priority.

Newberg has four urban reserve areas. The URAs include 527 acres in 111 tax lots. Table 10 shows tax lots in the URA by classification. The results show 452 buildable (suitable) acres within the URA (slopes <25%) and 265 acres with slopes <10%. Map 13 shows the location of URAs and constraints.

**Table 10. Land by Classification in Newberg Urban Reserve Areas**

Classification	Tax Lots	Total Acres	Developed Acres	Constrained Acres	Suitable Acres	
					>25% slope	>10% slope
Developed	24	12	9	3	0	0
Partially Vacant - <2 Ac	49	386	25	39	347	200
Partially Vacant - >=2 Ac	6	8	4	2	6	5
Vacant	32	121	0	22	99	60
<b>Total</b>	<b>111</b>	<b>527</b>	<b>38</b>	<b>66</b>	<b>452</b>	<b>265</b>

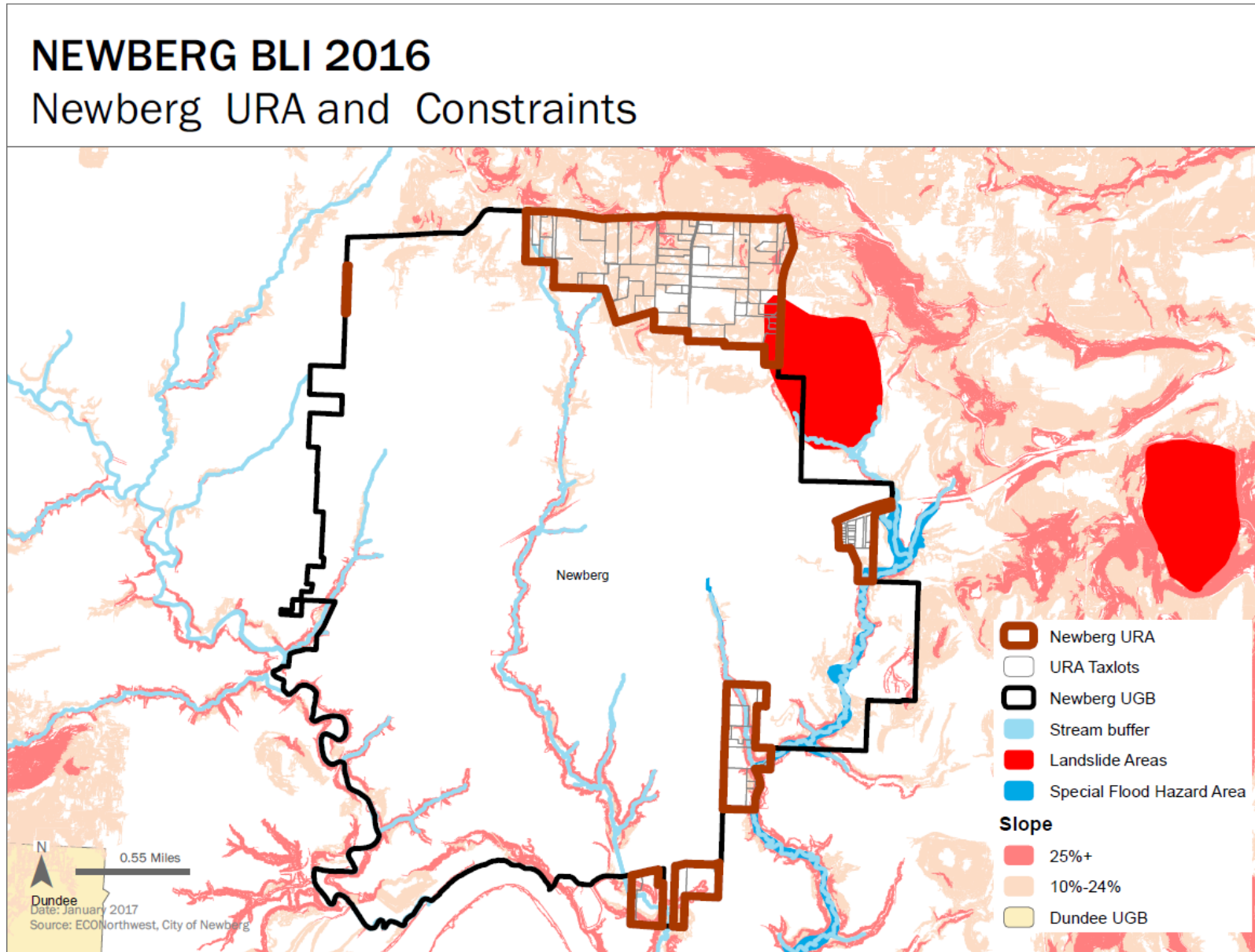
Table 11 shows tax lots by size and constraint status for the Newberg URAs. The results show that about 40% of the 452 buildable acres in URAs are in lots of 10 acres or larger.

**Table 11. Vacant and Partially Vacant Tax lots by Size, Newberg URA (25% slope)**

Lot Size (Ac)	Tax Lots	Total Acres	Buildable Acres	Existing DU
<=1	42	17	5	42
>1 and <2	6	8	6	6
>=2 and <5	27	89	76	27
>=5 and <10	20	153	133	20
>=10 and <20	14	195	167	14
>=20 and <50	2	64	64	2
<b>Total</b>	<b>111</b>	<b>527</b>	<b>452</b>	<b>111</b>

Note: Estimated capacity is for new dwelling units and assumes 1 new dwelling unit per lot for lots <=1 acre; 2 new dwelling units per lot for lots between 1 and 2 acres, and 6 dwelling units per lot for lots over 2 acres.

Map 13. Newberg Urban Reserve Areas and Development Constraints



## UGB Study Area (Outside Urban Reserves)

The UGB Study Area includes 9,821 acres in 1,665 tax lots (excluding right-of-way). Table 12 shows tax lots by size and constraint status for the Newberg UGB Study Area. The results show that over 40% of the 9,821 acres outside of URAs are in lots of 20 acres or larger. The majority of land in larger lots is in resource zones; 6% of land in exceptions zones is in lots of 20 acres or larger.

**Table 12. Vacant and Partially Vacant Tax lots by Size and Constraint Status, Newberg UGB Study Area (25% slope)**

Lot Size (Ac)	Resource			Exceptions			Total		
	Tax Lots	Acres	% of Acres	Tax Lots	Acres	% of Acres	Tax Lots	Acres	% of Acres
<=1	69	41	1%	216	122	3%	285	163	2%
> 1 and <2	45	67	1%	250	368	9%	295	435	4%
>=2 and <5	61	206	4%	612	1,797	42%	673	2,003	20%
>=5 and <10	69	509	9%	138	968	22%	207	1,477	15%
>=10 and <20	63	955	17%	60	784	18%	123	1,738	18%
>=20 and <50	56	1,694	31%	6	178	4%	62	1,873	19%
>=50	19	2,024	37%	1	107	2%	20	2,131	22%
<b>Total</b>	<b>382</b>	<b>5,497</b>	<b>100%</b>	<b>1,283</b>	<b>4,325</b>	<b>100%</b>	<b>1,665</b>	<b>9,821</b>	<b>100%</b>

Table 13 shows tax lots in the UGB Study Area by classification. The results show 7,413 buildable (suitable) acres within the UGB Study Area (slopes <25%), and 5,417 suitable acres (slopes >10%). Nearly 2,800 acres are in priority 1 exceptions areas, with about 2,215 of those in partially vacant (e.g., rural residential lots with a dwelling) lots greater than 2 acres.

**Table 13. Land by Classification in Newberg UGB Study Area**

Development Status	Tax Lots	Total Acres	Developed Acres	Slope 25% or over		Slope 10% or Over	
				Constrained Acres	Suitable Acres	Constrained Acres	Suitable Acres
<b>Resource Lands</b>							
Developed	21	9	7	2	0	2	0
Partially Vacant - <2 ac	16	27	8	2	17	5	14
Partially Vacant - >=2 ac	184	3,724	92	480	3,152	1,127	2,505
Vacant	161	1,737	0	277	1,461	537	1,200
<b>Subtotal</b>	<b>382</b>	<b>5,497</b>	<b>107</b>	<b>761</b>	<b>4,629</b>	<b>1,671</b>	<b>3,719</b>
<b>Exceptions Areas</b>							
Developed	145	93	82	11	0	20	-9
Partially Vacant - <2 ac	219	320	104	69	147	113	103
Partially Vacant - >=2 ac	727	3,342	338	788	2,215	1,669	1,335
Vacant	192	570	0	148	421	300	270
<b>Subtotal</b>	<b>1283</b>	<b>4,325</b>	<b>525</b>	<b>1,016</b>	<b>2,783</b>	<b>2,101</b>	<b>1,698</b>
<b>TOTAL</b>	<b>1,665</b>	<b>9,821</b>	<b>632</b>	<b>1,777</b>	<b>7,413</b>	<b>3,772</b>	<b>5,417</b>

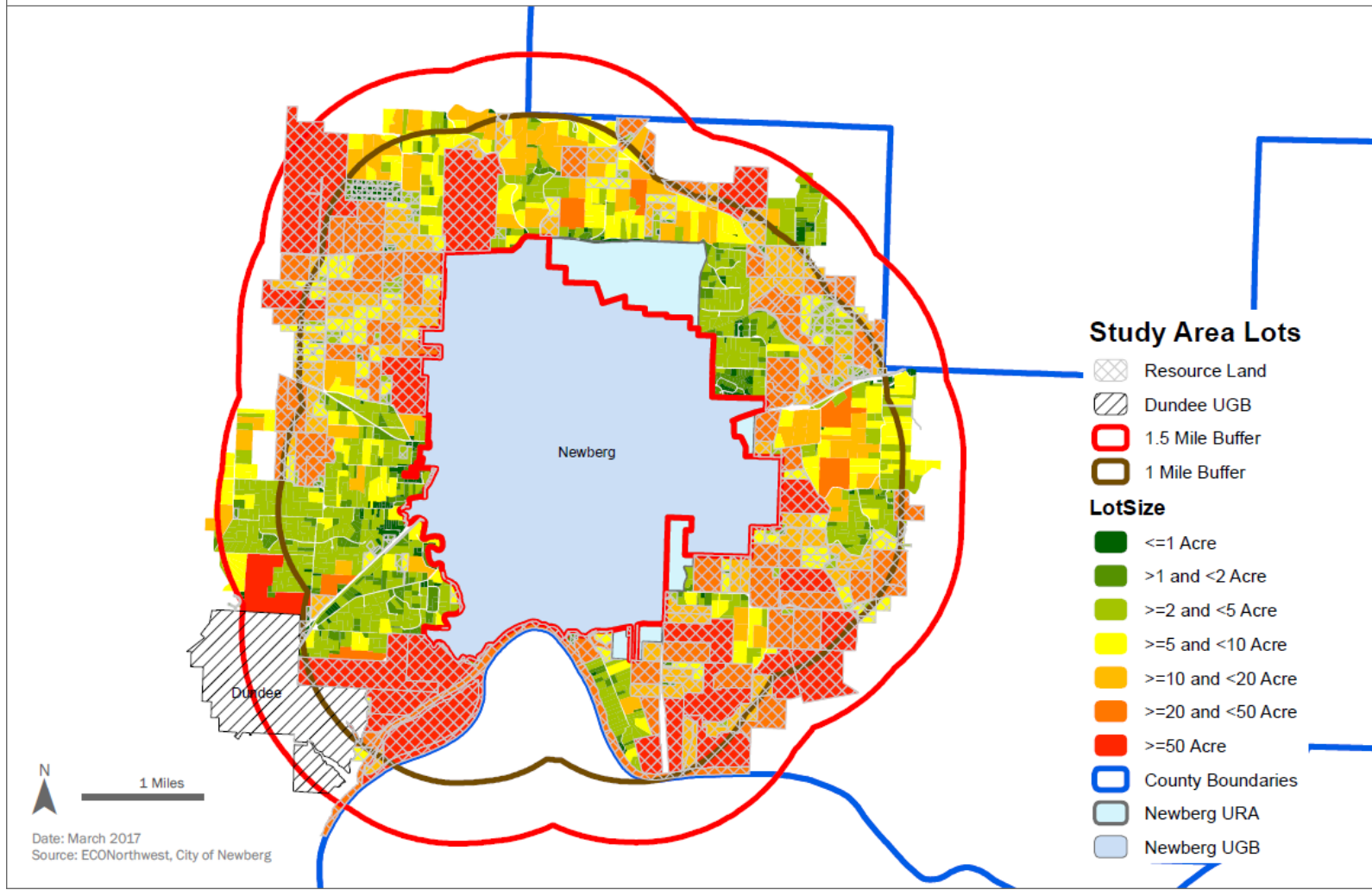
Note: Suitable acres for slopes 10% or over shows a negative figure in the Developed row for Exceptions areas. This is because some of the developed area is in slopes over 10%.



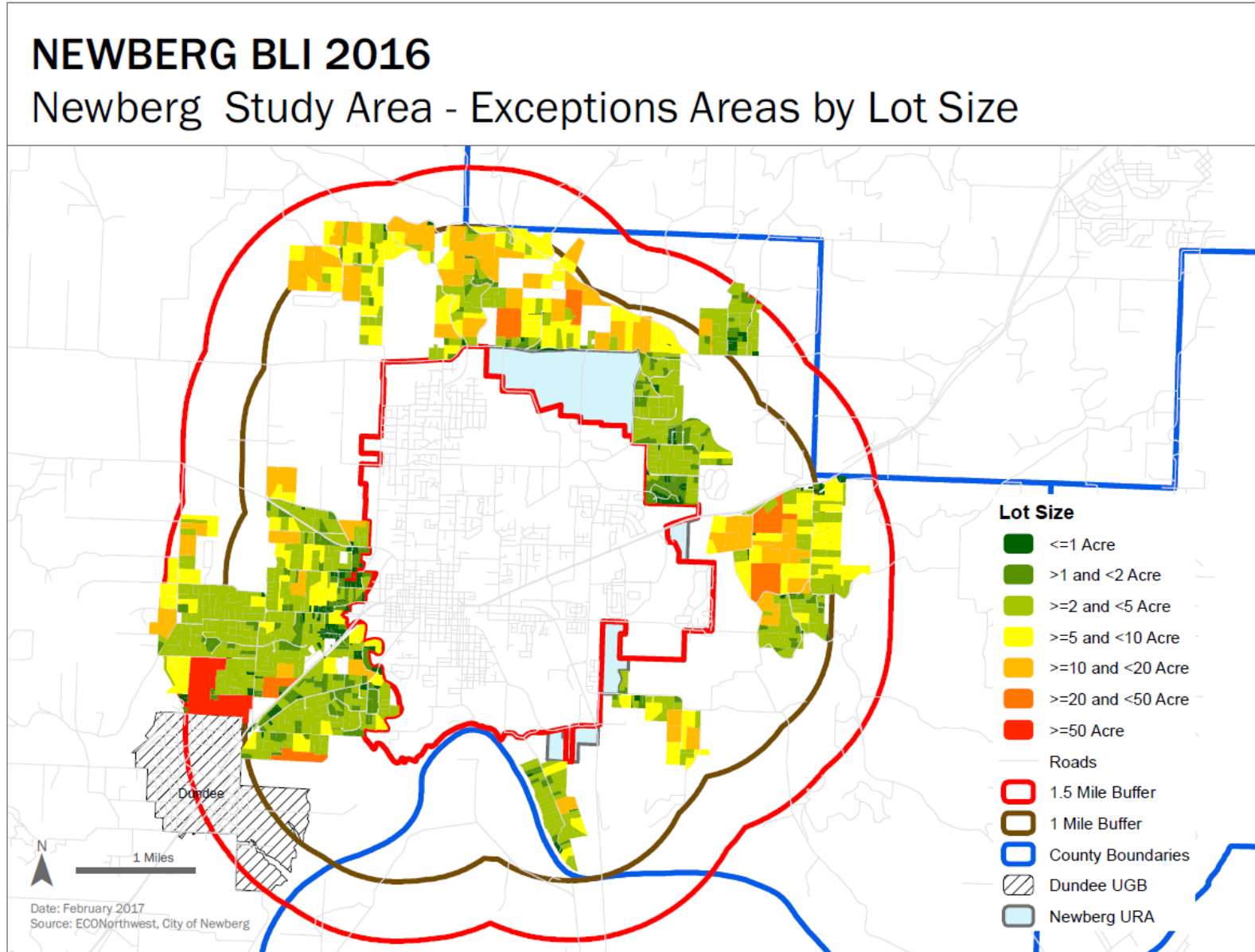
Map 14. Tax lots by Size, Newberg UGB Study Area

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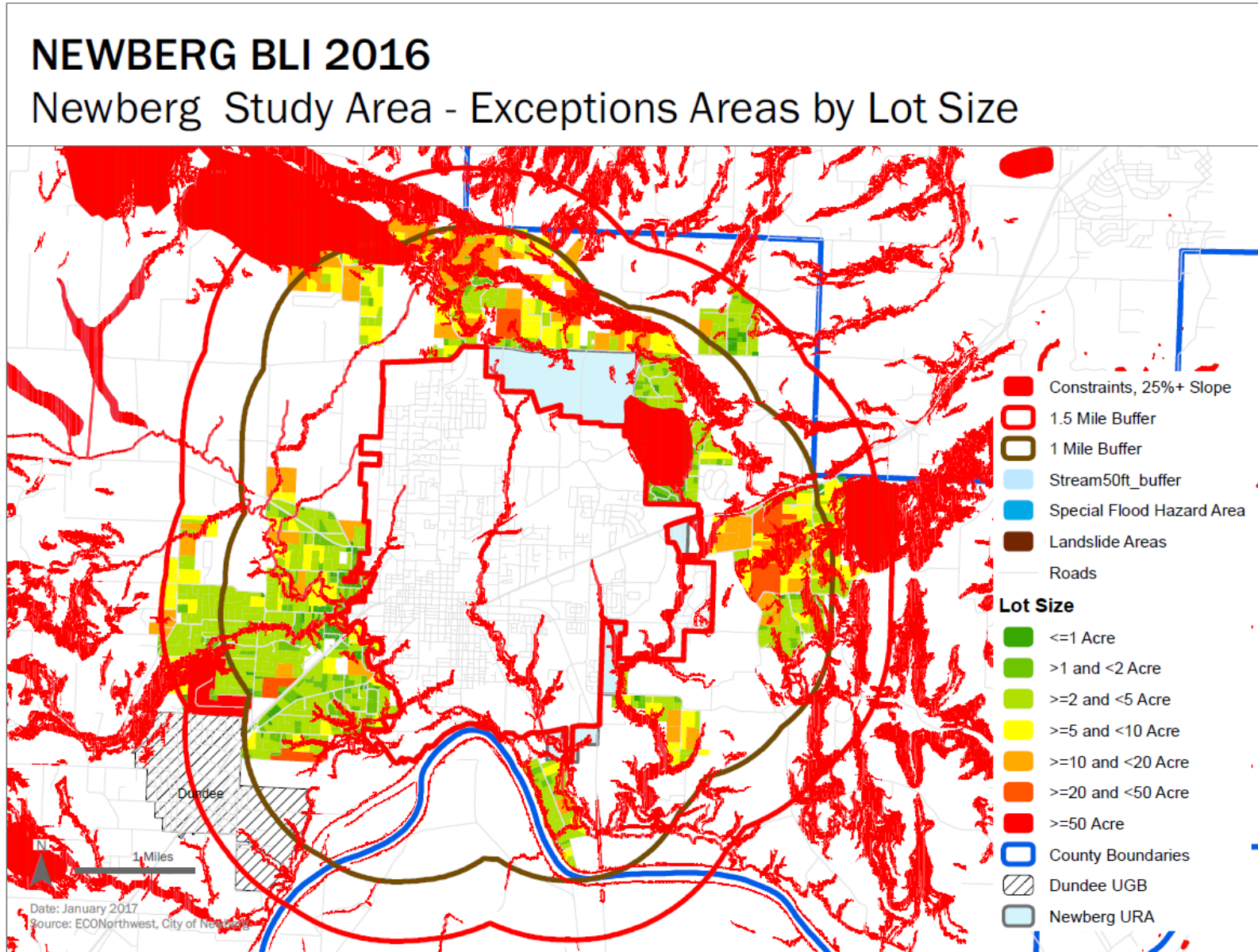
## Newberg Study Area - Lot Size



Map 15. Exceptions Area Tax lots by Size, Newberg UGB Study Area



Map 16. Exceptions Area Tax lots by Size and Constraint Status (25%+ Slope), Newberg UGB Study Area



## 4. Conclusions and Implications

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Newberg faces a key decision in the coming months: whether to pursue a boundary amendment using the Division 38 method, or use the traditional method. The issues with the traditional method are well known. Newberg’s last attempt at an expansion using the traditional method was appealed and ultimately withdrawn.

ECO does not make a recommendation about which method is most appropriate for the City of Newberg. That is a decision that the City Council will need to make with staff input. What we want to do is to inform that dialog. This chapter includes two sections: (1) issues with the Division 38 method; and (2) comparison of the Division 38 method with the standard method.

### 4.1 Issues with the Division 38 Methods

ECO identified a number of issues with the Division 38 method. To help the City—and DLCD—better understand those issues, and how they impact the BLI results, we summarize them here. This task was not in our work program, but we feel compelled to discuss the issues given their nature and extent. This discussion is not intended to be comprehensive—there may be other issues with the Division 38 method that we did not encounter since we only implemented the BLI portions of the rule. We also note that some of these issues may be unique to Newberg—we are working from a sample of one city; other cities may have a different experience with the rules. Thus, our comments focus on the following sections (note, we number them for reference; the order is not intended to imply precedence or priority):

1. **Standardization of Data Sources.** This is less a critique, than an observation and suggestion. For many data sources, several hosts and versions might be available (e.g., UGB data from the City or Oregon Explorer). It’s not always clear which is preferable or if the data are the most accurate data available. It took a fair amount of time to assemble the required databases, some of which may require expensive subscriptions or fees (part of the Newberg UGB study is in Washington County; Metro manages the data in the region and we used ECO’s subscription to RLIS for the Washington County data). As a suggestion, DLCD could generate and post approved data sets for many of the attributes required—particularly natural hazards.
2. **Split Plan Designations.** The rule does not address the issue of split plan designations. These are very common in cities and many are too big to be ignored. The topology of polygons in plan designation layers frequently does not conform to tax lot boundaries creating so-called “slivers.” These slivers are not true split designations; rather they are remnant from how the data were originally input. ECO sometimes uses complicated algorithms to evaluate split plan designations. For the purpose of the Newberg BLI, ECO and the Community Development Director reviewed maps and agreed on specific tax lots with split plan designations to split. Any lot with a split over two acres was evaluated; any lot with at least 0.5 acre in a split was split.

3. **Deduction of constraints.** In a typical BLI, we would merge all constraints together to create a single constraint layer. Those constraints would then be deducted from vacant and partially vacant areas. In this sense, all constraints are treated the same. This has been found compliant with statewide planning goals, as many BLIs using these methods have been adopted and acknowledged.

Division 38 treats different constraints differently. Some constraints are allowed a 100% deduction; some a 50% deduction, and some, the extent of local policy. Moreover, industrial lands get a different threshold for slope (which is not inconsistent with methods used by ECO in the past) This makes sense in theory; in practice it greatly complicates the process of deducting constraints.

For example, constraints often share the same geography. It's not uncommon for a stream to have a floodway and floodplain that are accompanied by steep slopes and Goal 5 resources. Under the Division 38 rule, each of these interactions must be analyzed and accounted for individually. These are not simple operations to perform in GIS.

Finally, we find the ½ acre threshold on water bodies in OAR 660-038-0070 and 130 (1)(a)(B) odd. This also requires additional work, since the default assumption on a typical BLI is that waterbodies of all sizes, are not developable. This rule implies that waterbodies under ½ acre do not pose a constraint (e.g., that they can be filled and developed) without the understanding of requirement of other regulatory agencies to fill these water bodies.

4. **Public lands with residential plan designations.** Generally, Division 38 does not require inventory of public lands. We note that some cities we've worked with do not have a public land designation. In those instances, Division 38 would require most lands to be inventoried as residential or commercial.

The rule makes provisions for publicly owned-park land that might meet the threshold of partially vacant (e.g., lots of ½ acre or larger), but not for other public uses. Newberg has schools and other public uses that total more than 70 acres (including Chehalem Valley Middle School) that clearly are not, and will not be available for development in the 14-year planning horizon.

5. **Developed employment land.** The rule does establish a clear threshold for employment lands to be considered developed or committed. The rule identifies thresholds for partially vacant that either require 50% of the land be classified as vacant (lots less than 1 acre) or that aerial photo review occur. Aerial photo interpretation is not particularly complicated, but it is time consuming.
6. **Partially vacant employment land.** OAR 660-038-0120(2)(b)(A) reads "*The real market improvement value of the lot or parcel is greater than five percent and less than 40 percent of the real market land value, in which case, the city must assume that 50 percent of the lot or parcel is developed and 50 percent is vacant.*" The example below shows two developments that meet this threshold. Both would be considered fully developed in a traditional BLI. One

is a bank (on the right) and the other a Jiffy Lube (on the left). While this does not equate to a lot of land in Newberg, it forces an unreasonable assumption on the BLI.



7. **Determination of slopes using contour data.** GIS experts typically build slope thresholds from DEMs (digital elevation models) and not contours. The development of slope thresholds is an advanced GIS operation that we would not characterize as simple. This is an area where the state could provide a standardized data set for cities to use.
8. **Errors/anomalies/inconsistencies in County Assessment data.** Consistent with previous experience with County Assessment data, we found many errors or anomalies (these “errors” do not affect the assessment of property, but also do not reflect the value of use). Key among them was developed tax lots with \$0 real market improvement values. Not surprisingly, this happens frequently on lands that are exempt from taxation.

Churches provide a good example. Newberg has 55 taxlots that have “church” in the owner field. Twenty-seven of those taxlots show an improvement value of \$0; three have an improvement value of less than \$10,000, and 25 have an improvement value of \$10,000 or more. Per the Division 38 rule, all residential land with improvement value less than \$10,000 and greater than 3,000 SF is to be considered vacant. These lands totaled 61 acres. The image below highlights three churches that would typically be considered developed or partially vacant based on aerial photo or field inspection.



9. **Partially Vacant multi-family residential land.** Per the Division 38 rule, all residential land with improvement value less than \$10,000 and great than 3,000 SF is to be considered vacant. The image below shows several developments—assisted living facilities—that are fully developed, but get classified as partially vacant. The rule does not provide a clear and objective pathway to identifying when multi-family land is considered developed. Based on the rule criteria, all multifamily land with improvements must be subject to aerial orthophoto review. This process is no more efficient than a standard BLI.



10. **Condo common areas.** The Yamhill County Assessor systematically assesses condo common areas as having \$0 improvement value. These areas are clearly not available for future development, nor do they have any residential capacity. The Division 38 rule requires they be considered vacant. A cursory search identified 28 taxlots with about 10 acres—enough to be a consideration in our view. The image below provides one example.



11. **Classification of lands in the UGB study area.** We found this portion of the rule convoluted and difficult to interpret. The rule uses vague criteria for determining whether land in the UGB study area is vacant, partially vacant, or developed—in fact there are limited criteria for determining development status, only criteria for exclusions that address various reasons for exclusion.

For land that would be for future residential use, the rule incorporates thresholds from the UO research of 1 and 2 acres. The language around capacity is a bit unclear with respect to whether the units are total units or new units. A plain interpretation would be total units.

Because the rule lacked clear guidance on how to evaluate both residential and employment lands in the UGB study area, we developed a classification system based on development status and lot size to summarize the results. It is not clear, however, whether that system would pass legal muster given that the rule does not provide any guidance. It is useful in the context of thinking about lot size and development capacity.



To summarize, **the simplified BLI method is not simple**. In our initial comments about the Division 38 rule, we indicated that there is no way to make a GIS-based inventory simple. We understand the rationale for a GIS based method. However, as described above, parts of the Division 38 method are more complicated than a typical standard method. Moreover, in most instances, the rule requires assumptions that increase the amount of land assumed available for development.

## 4.2 Summary

Clear differences exist between the Division 38 and standard methods. Given some of the issues with land classification, it is difficult for ECO to recommend the City use this methodology moving forward. We identified far too much residential land that would normally be considered developed that the Division 38 rules require the City to consider as vacant. Moreover, we do not see any flexibility in interpreting the Division 38 rules. While we are not attorneys, a common-sense reading of the rule suggests a literal interpretation of its provisions. In short, the rule does not accommodate exceptions.

# Appendix A: Data Sources and Study Area Determination

ECO conducted a buildable land inventory (BLI) consistent with the requirements of OAR 660-038. The first step in the inventory was to obtain the necessary GIS data (Exhibit A-1). The data came from several sources—the City of Newberg; the Metro RLIS database; Yamhill County; and the Oregon Geospatial Data Center.

**Exhibit A-1. Data Sources for Newberg BLI**

<b>Data</b>	<b>Source</b>	<b>Description</b>
Tax lots – Yamhill	Yamhill County Assessor, provided by City of Newberg	Tax lot fabric for entire county. Fabric includes roads.
Tax lots – Washington	Metro RLIS – ECO subscription	Tax lots
Tax lots - Marion	Marion County GIS	Tax lots
City Boundaries	City	Includes city limit, UGB and urban reserve areas
UGB	Oregon Spatial Explorer	2015 UGBs
Counties	Oregon Spatial Explorer	2015 County boundaries
Streets	City of Newberg	City / county roads
Streams	City of Newberg	Perennial streams
Zoning	Yamhill County; Metro RLIS (Washington); Marion County GIS	Zoning outside incorporated city boundaries
Landslide areas	DOGAMI SLIDO 3.2 database	DOGAMI mapped landslide areas
Special Flood Area	Oregon Spatial Explorer – statewide FEMA FIRM database	Areas of special flood hazard
Building Footprint	City of Newberg	Building footprints for land inside the Newberg UGB

## Study Area Determination

The first step in the inventory process is to determine the study area. The study area for Newberg includes all land within the Newberg urban growth boundary (UGB) as well as lands outside the UGB.

## Land within the Newberg UGB

As required by OAR 660-038, the inventory will include all land within the current Newberg UGB. From a practical perspective, this means that all lands within tax lots identified by the Yamhill County Assessor that fall within the UGB (as shown by the GIS data) will be inventoried. The tax lot database ECO received from the City is current as of August 2016. The inventory then builds from the tax lot-level database to estimates of buildable land by plan designation.

## UGB Study Area

OAR 660-038-0160 provides detailed guidance on establishing the study area to evaluate land for inclusion in the UGB. The full text of the requirements is included in Appendix A. For this discussion, we focus on the applicable standards. The rule divides the study area determination into two phases: (1) the preliminary study area; and (2) the final study area. OAR 660-038-0160(1) defines the requirements for the preliminary study area. Items underlined apply to Newberg.

*(1) The city shall determine which land to add to the UGB by evaluating alternative locations within a “study area” established pursuant to this rule. To establish the study area, the city must first identify a “preliminary study area” which shall not include land within a different UGB or the corporate limits of a city within a different UGB. The preliminary study area shall include:*

*(a) All lands in the city’s acknowledged urban reserve, if any;*

*(b) All lands that are within the following distance from the acknowledged UGB, except as provided in subsection (d):*

*(A) For cities with a UGB population less than 10,000: one-half mile;*

*(B) For cities with a UGB population equal to or greater than 10,000: one mile;*

*(c) All exception areas contiguous to an exception area that includes land within the distance specified in subsection (b) and that are within the following distance from the acknowledged UGB:*

*(A) For cities with a UGB population less than 10,000: one mile;*

*(B) For cities with a UGB population equal to or greater than 10,000: one and one-half miles;*

*(d) At the discretion of the city, the preliminary study area may include land that is beyond the distance specified in subsections (b) and (c).*

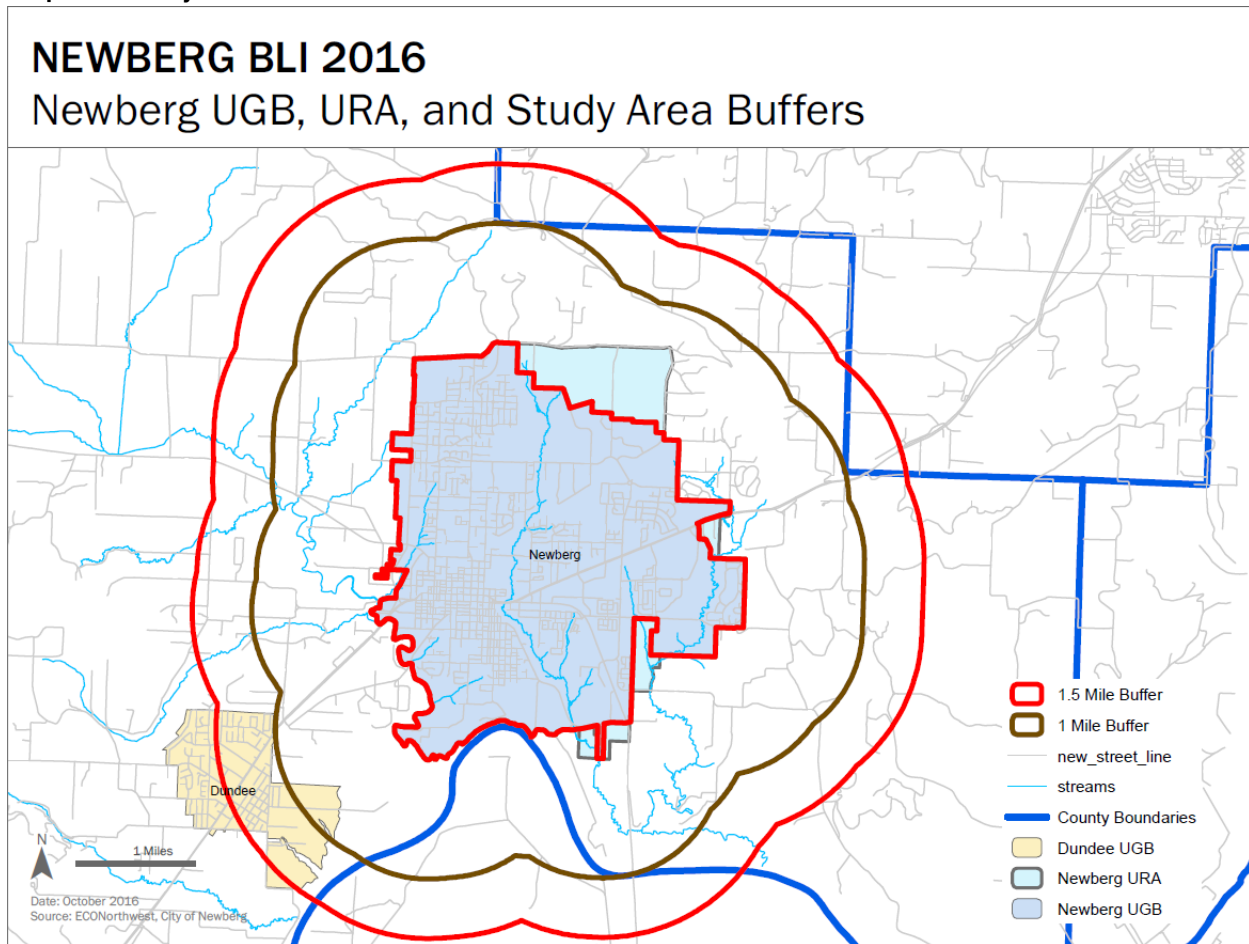
According to the Population Research Center at Portland State University, Newberg’s 2015 population was 22,900. Thus, the provisions for cities with populations over 10,000 apply to Newberg.

Based on OAR 660-038-0160(1), Newberg must include the following areas within the UGB study area:

- Established urban reserve areas (URAs). Newberg has 551 total acres in acknowledged URAs
- All lands within one mile of the UGB (and not in a UGB).
- Exceptions areas within 1.5 miles of the UGB that are contiguous to land within the one-mile buffer.

Map A-1 shows the study area boundaries based on these requirements.

**Map A-1. Study Area Buffers**



*(2) The city may exclude land from the preliminary study area if it determines that any of the conditions in this section apply to the land:*

*(a) Based on the standards in section (5) of this rule, it is impracticable to provide necessary public facilities or services to the land;*

*(b) The land is subject to significant development hazards, due to a risk of:*

*(A) Landslides: The land consists of a landslide deposit or scarp flank that is described and mapped on the Statewide Landslide Information Database for Oregon (SLIDO) Release 3.2 Geodatabase published by the Oregon Department of Geology*

*and Mineral Industries (DOGAMI) December 2014, provided that the deposit or scarp flank in the data source is mapped at a scale of 1:40,000 or finer. If the owner of a lot or parcel provides the city with a site-specific analysis by a certified engineering geologist demonstrating that development of the property would not be subject to significant landslide risk, the city may not exclude the lot or parcel under this paragraph;*

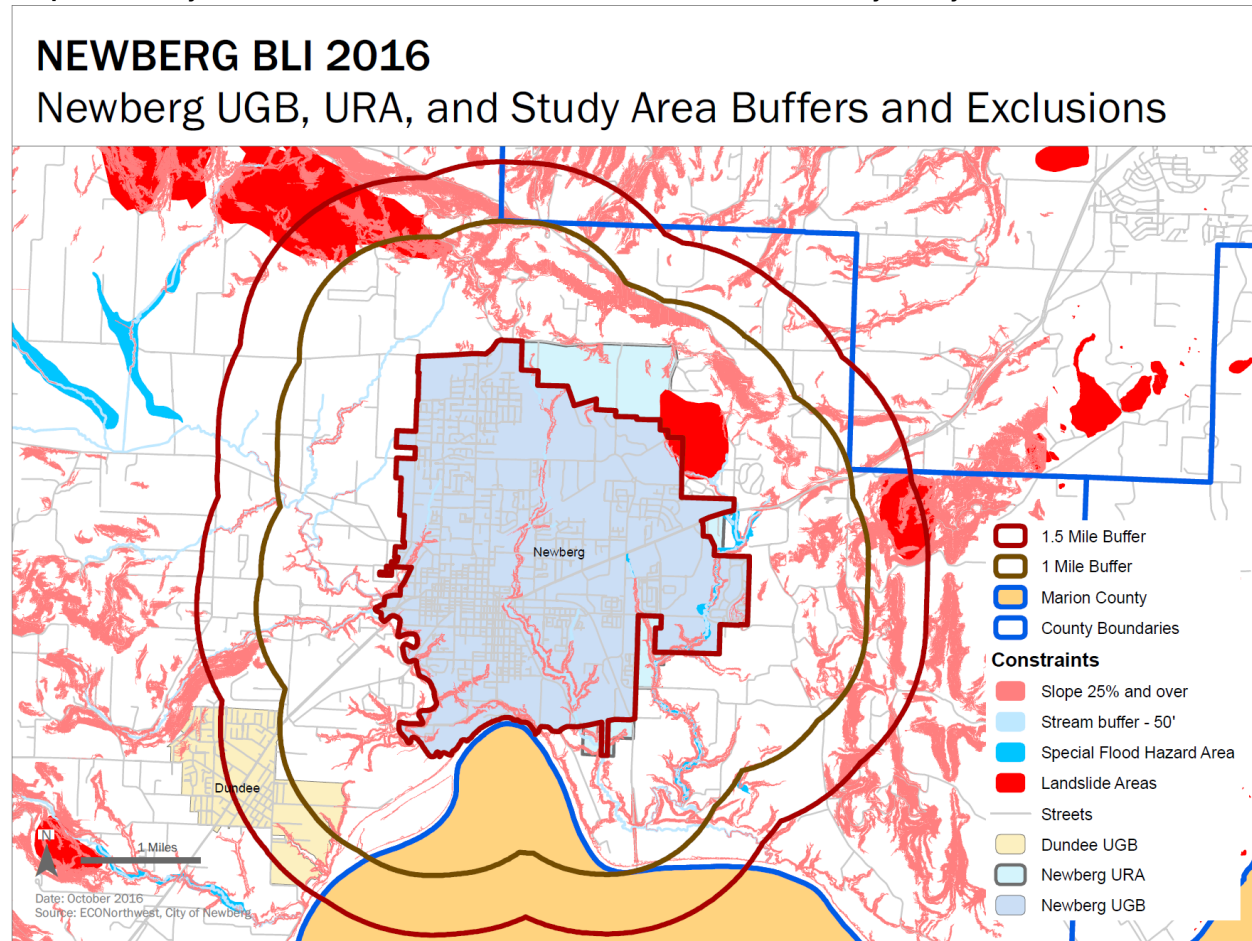
*(B) Flooding, including inundation during storm surges: the land is within the Special Flood Hazard Area (SFHA) identified on the applicable Flood Insurance Rate Map (FIRM);*

This section has several other provisions that are either not applicable to Newberg or which the City has chosen not to apply. Based on these provisions, the City removed the following areas from further consideration:

- **Areas in Marion County.** The Willamette River is the boundary between Yamhill and Marion County. A portion of the Newberg UGB is adjacent to the river. Moreover, areas within the one- and 1.5-mile buffers fall within Marion County. The City finds that it is impracticable to provide necessary public services to these areas as described in OAR 660-038-0160(7)(b).
- **Landslide areas.** Several areas within the one- and 1.5-mile buffer are identified in DOGAMI's SLIDO 3.2 database. These were removed from further consideration pursuant to OAR 660-038-0160(2)(b)(A).
- **Flood areas.** Several areas within the one- and 1.5-mile buffer are identified in the Special Flood Hazard Area by FEMA. These were removed from further consideration pursuant to OAR 660-038-0160(2)(b)(B).
- **Dundee UGB.** Areas within the Dundee UGB are removed from further consideration.

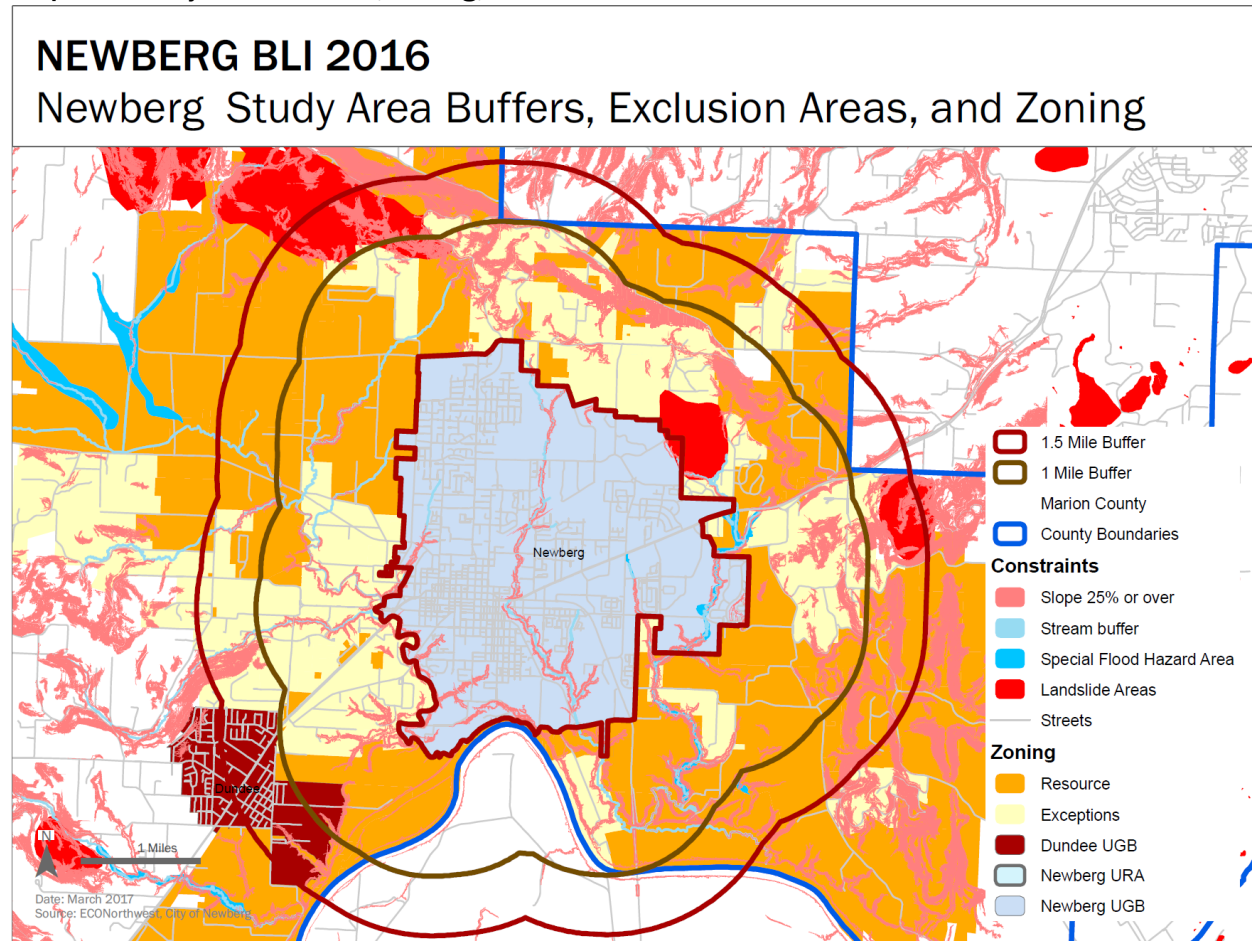
Map A-2 shows areas excluded from the preliminary study area.

Map A-2. Study Area Buffers and Areas Excluded from the Preliminary Study Area



The final step in defining the study area is to identify exception areas in the area between the one and 1.5-mile buffer that are contiguous to exception areas within the one-mile buffer. Map A-3 shows tax lots included in the preliminary study area. Note that the full area of lots that intersect the one- and 1.5-mile buffers were included. The City does not anticipate splitting tax lots based on the buffers.

Map A-3. Study Area Tax Lots, Zoning, and Exclusions



We note that additional lands could be excluded from the inventory based on the provisions of subsections 3-5. Because it is not clear what the City's land need is at this point, it is not particularly efficient to review 10,000 acres for all of these deductions. A more prudent approach would be to narrow down lands outside the UGB in to study areas and conduct more detailed analysis of those areas.

*(3) After excluding land from the preliminary study area under section (2), the city must adjust the study area, if necessary, so that it includes an amount of land that is at least twice the amount of land needed to satisfy the combined need deficiency determined under OAR 660-038-0080 and 660-038-0150. Such adjustment shall be made by expanding the applicable distance specified under section (1) and applying section (2) to the expanded area.*

*(4) For purposes of evaluating the priority of land under OAR 660-038-0170, the "study area" shall consist of all land that remains in the preliminary study area described in section (1) of this rule after adjustments to the area based on sections (2) and (3).*

*(5) For purposes of subsection (2)(a), the city may consider it impracticable to provide necessary public facilities or services to the following lands:*

*(a) Contiguous areas of at least five acres where 75 percent or more of the land has a slope of 25 percent or greater; provided that contiguous areas 20 acres or more that are less than 25 percent slope may not be excluded under this subsection. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;*

*(b) Lands requiring the construction of a new freeway interchange, overpass, underpass, or similar improvement to accommodate planned urban development providing such improvement is not currently identified in the Statewide Transportation Improvement Program (STIP) for construction within the planning period;*

*(c) Land that is isolated from existing service networks by physical, topographic, or other impediments to service provision such that it is impracticable to provide necessary facilities or services to the land within the planning period. The city's determination shall be based on an evaluation of:*

*(A) The likely amount of development that could occur on the land within the planning period;*

*(B) The likely cost of facilities and services; and,*

*(C) Any substantial evidence collected by or presented to the city regarding how similarly situated land in the region has, or has not, developed over time.*

*(d) As used in this section, "impediments to service provision" may include but are not limited to:*

*(A) Major rivers or other water bodies that would require new bridge crossings to serve planned urban development;*

*(B) Topographic features such as canyons or ridges with slopes exceeding 40 percent and vertical relief of greater than 80 feet;*

*(C) Freeways, rail lines, or other restricted access corridors that would require new grade separated crossings to serve planned urban development;*

*(D) Significant scenic, natural, cultural or recreational resources on an acknowledged plan inventory and subject protection measures under the plan or implementing regulations, or on a published state or federal inventory, that would prohibit or substantially impede the placement or construction of necessary public facilities and services.*

*(6) Land may not be excluded from the preliminary study area based on a finding of impracticability that is primarily a result of existing development patterns. However, a city may forecast development capacity for such land as provided in OAR 660-038-0170(1)(d).*



# Appendix B: Division 38 Guidelines for Buildable Land Inventories

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The Division 38 Simplified Urban Growth Boundary Methods rule (OAR 660-038) was adopted by the Land Conservation and Development Commission in January 2016 after a year-long rulemaking process. We include the sections that directly pertain to buildable land inventories here for reference. A complete copy of the rule is available on the Oregon Secretary of State website: [http://arcweb.sos.state.or.us/pages/rules/oars\\_600/oar\\_660/660\\_038.html](http://arcweb.sos.state.or.us/pages/rules/oars_600/oar_660/660_038.html).

## 660-038-0010 - Definitions

The definitions in ORS 197.015, the statewide planning goals, and the following definitions apply to this division:

(1) “Buildable lands” means land in urban or urbanizable areas that are suitable for urban uses, as provided in ORS 197A.300(1). Note: This definition applies to this division only; a different definition of “buildable lands” is provided in laws and rules concerning needed housing (ORS 197.295; OAR 660-007-0005 and 660-008-0005 and OAR 660-024-0010).

(2) “Commercial” and “commercial use” mean office, retail, institutional and public employment land uses described by the North American Industry Classification System (NAICS) Categories 44, 45, 51, 52, 53, 54, 55, 56, 61, 62, 71, 72, 81, 92, and 99. These are land uses that generally do not require significant space for indoor or outdoor production or logistics.

(3) “Industrial” and “industrial use” mean employment activities including, but not limited to, manufacturing, assembly, fabrication, processing, storage, logistics, warehousing, importation, distribution and transshipment, and research and development, that generate income from the production, handling or distribution of goods or services, including goods or services in the traded sector, as defined in ORS 285A.010. “Industrial use” means NAICS Categories 11, 21, 22, 23, 31, 32, 33, 42, 48, and 49. These are land uses that generally require significant space for indoor or outdoor production or logistics.

(4) “Initiate” means that the local government issues a public notice specified in OAR 660-018-0020, including a notice to the Department of Land Conservation and Development, for a proposed plan amendment that concerns evaluating or amending a UGB.

(5) “Nonresource land” has the meaning specified in OAR 660-004-0005(3).

(6) “Range” means a range of numbers specified in rules in this division (see ORS 197A.325(2)(a)). A city may choose to use the number at either end of a stated range or any number between. Ranges allow a city to make choices regarding its future growth.

(7) "Serviceable" means, with respect to land supply in a UGB, and as described in OAR 660-038-0200, that:

(a) Adequate sewer, water and transportation capacity for planned urban development is available or can be either provided or made subject to committed financing; or

(b) Committed financing can be in place to provide adequate sewer, water and transportation capacity for planned urban development.

(8) "UGB" means "urban growth boundary."

(9) "Urbanizable land" means land inside a UGB that, due to the present unavailability of urban facilities and services, or for other reasons, either retains the zone designations assigned prior to inclusion in the UGB or is subject to interim zone designations intended to maintain the land's potential for planned urban development until appropriate public facilities and services are available or planned.

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

#### **660-038-0060 - Buildable Lands Inventory (BLI) for Residential Land within the UGB**

A city must determine the supply and development capacity of lands within its UGB by conducting a buildable lands inventory (BLI) as provided in this rule.

(1) For purposes of the BLI, the city shall classify the existing residential comprehensive plan and zoning designations within its UGB based on allowed density. The classification shall be based on either:

(a) The allowed density and housing types on the comprehensive plan map; or

(b) If the comprehensive plan map does not differentiate residential districts by density or type of housing, the applicable city or county zoning map, as follows:

(A) For cities with a UGB population less than 2,500, districts shall be classified as follows:

(i) Districts with a maximum density less than or equal to eight dwelling units per acre: low density residential. A city may classify a district as low density residential despite a maximum density of greater than eight dwelling units per acre if the majority of existing residences within the district are single-family detached and if the city has a medium density residential district as determined by subparagraph (ii);

(ii) Districts with a maximum density greater than eight dwelling units per acre: medium density residential.

(B) For cities with UGB populations greater than or equal to 2,500, districts shall be classified as follows:

(i) Districts with a **maximum density less than or equal to eight dwelling units per acre: low density residential**. A city may classify a district as low density residential despite a maximum density of greater than eight dwelling units per acre if the majority of existing residences within the district are single-family detached and the city has a medium density residential district as determined by subparagraph (ii);

(ii) Districts with a **maximum density greater than eight dwelling units per acre and less than or equal to 16 dwelling units per acre: medium density residential**, unless the district has been classified as low density residential pursuant to subparagraph (i). A city may classify a district as medium density residential despite a maximum density of greater than 16 dwelling units per acre if the majority of development within the district is developed at densities of between eight and 16 dwelling units per net acre and the city has a high density residential district as determined by subparagraph (iii);

(iii) Districts with a **maximum density greater than 16 dwelling units per acre: high density residential**, unless the district has been classified as medium density residential pursuant to subparagraph (ii);

(iv) A city may not classify as low density a district that allows higher residential densities than a district the city has classified as medium density. A city may not classify as medium density a district that allows higher residential densities than a district the city has classified as high density.

(2) The city must identify all vacant lots and parcels with a residential comprehensive plan designation. A city shall assume that a lot or parcel is **vacant if it is at least 3,000 square feet with a real market improvement value of less than \$10,000**.

(3) The city must identify all partially vacant lots and parcels with a residential comprehensive plan designation, as follows:

(a) For lots and **parcels at least one-half acre in size that contain a single-family residence, the city must subtract one-quarter acre for the residence**, and count the remainder of the lot or parcel as vacant land, and

(b) For lots and parcels at least **one-half acre in size that contain more than one single-family residence, multiple-family residences, non-residential uses, or ancillary uses such as parking areas and recreational facilities, the city must identify vacant areas using an orthophoto or other map of comparable geometric accuracy**. For the purposes of this identification, **all publicly owned park land shall be considered developed**. If the vacant area is at least one-quarter acre, the city shall consider that portion of the lot or parcel to be vacant land.

(4) The city must determine the amount and mapped location of low density, medium density, and high density vacant and partially vacant land in residential plan or zone districts within the city's UGB.

(5) The city must, within the city limits,

(a) Identify all lots and parcels within a residential district that are developed;

(b) Identify all portions of partially vacant lots and parcels within a residential district that are developed with residential uses;

- (c) Calculate the total area of land identified in (a) and (b);
- (d) Calculate the total number of existing dwelling units located on the land identified in (a) and (b); and
- (e) Calculate the net density of residential development on the land identified in (a) and (b).

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

### **660-038-0070 - Adjust Residential Lands Inventory to Account for Constrained Lands**

A city must adjust the inventory of residential lands prepared under OAR 660-038-0060 to account for constrained lands using this rule.

(1) The city must identify the following physical constraints on land inventoried as vacant or partially vacant under OAR 660-038-0060:

(a) Floodways and water bodies. For the purpose of this subsection, “water bodies” includes;

(A) Rivers; and

(B) Lakes, ponds, sloughs, and coastal waters at least one-half acre in size.

(b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;

(c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;

(d) Contiguous lands of at least one acre with slopes greater than 25 percent. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;

(e) Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and

(f) Lands subject to development prohibitions, natural resource protections, or both in acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 15, 16, 17, or 18.

(2) For lands identified in section (1), the city may reduce the estimated residential development capacity by the following factors in terms of acreage:

(a) For lands within floodways and water bodies: a 100 percent reduction.

(b) For other lands within Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map: a 100 percent reduction.

(c) For lands within the tsunami inundation zone: no reduction unless the acknowledged comprehensive plan or land use regulations applicable to such areas prohibits or reduces residential development, in which case the reduction shall be based upon the maximum density allowed by the acknowledged comprehensive plan or land use regulation.

(d) For lands with slopes that are greater than 25 percent: a 100 percent reduction. However, if the lot or parcel includes land with slopes less than 25 percent, the reduction applies only to the land with slopes greater than 25 percent. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;

(e) For lands subject to development restrictions in an acknowledged comprehensive plan or land use regulations developed pursuant to Statewide Planning Goals 5, 6, or 7: a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

(f) For lands subject to development prohibitions, natural resource protections, or both, in an acknowledged comprehensive plan or land use regulations that implements Statewide Planning Goals 15, 16, 17 or 18: a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

(3) The residential BLI amount for each type of needed housing for a city is the amount of buildable land for that needed housing type determined in OAR 660-038-0060 reduced by the constraints as determined in this rule.

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

### **660-038-0120 - Inventory of Buildable Employment Land within the UGB**

A city must determine the supply and development capacity of employment lands within its UGB at the time of initiation by conducting a buildable lands inventory (BLI) for employment land as provided in this rule and OAR 660-038-00130.

(1) For purposes of the employment BLI, the city shall classify the existing employment zoning districts and plan map districts within its UGB as either “commercial” or “industrial” based on the applicable definitions in OAR 660-038-0010. Districts that allow both commercial and industrial uses as per the definition must be classified as one or the other, based on the intent of the plan and with consideration of whether the predominant NAICS categories allowed by the district are characteristic of a commercial or industrial use.

(2) The city must identify all lots and parcels in the UGB with either a commercial or industrial designation on the comprehensive plan map or zoning district, determine which lots or parcels are vacant, partially vacant, or developed and calculate the total area of such land, as follows:

(a) A city may assume that a lot or parcel is **vacant if the real market improvement value is less than \$5,000 or if the real market improvement value is less than or equal to 5 percent of the real market land value.**

(b) A city may assume that a lot or parcel is partially vacant if either:

(A) The real market improvement value of the lot or parcel is greater than **five percent and less than 40 percent of the real market land value, in which case, the city must assume that 50 percent of the lot or parcel is developed and 50 percent is vacant, or**

(B) Based on an orthomap, the lot or parcel is greater than **one acre in size and at least one-half acre is not improved.**

(c) A city may assume that a lot or parcel is **developed if the real market improvement value is greater than or equal to 40 percent of the real market land value.**

(3) The city must use the results of section (2) to determine the current density of employment land within the UGB under OAR 660-038-0140(4) and (5).

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

#### **660-038-0130**

##### **Adjust Employment Buildable Land Inventory to Account for Constrained Lands**

A city must adjust the employment buildable lands inventory determined under OAR 660-038-0120 to account for constrained lands using this rule.

(1) The city must identify the following physical constraints on employment land inventoried under OAR 660-038-0120:

(a) Floodways and water bodies. For the purpose of this subsection, “water bodies” includes:

(A) Rivers; and

(B) Lakes, ponds, sloughs, and coastal waters at least one-half acre in size;

(b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;

(c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;

(d) Contiguous lands planned and zoned for **commercial use of at least one acre with slopes that are greater than 25 percent**. For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;

(e) Contiguous lands planned and zoned for **industrial use of at least one acre with slopes that are greater than 10 percent**. For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;

(f) Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and

(f) Lands subject to development prohibitions, natural resource protections, or both, in an acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goals 15, 16, 17, or 18.

(2) For lands identified in section (1), the city may reduce the estimated development capacity by the following factors in terms of acreage:

(a) For lands within floodways and water bodies: a 100 percent reduction.

(b) For other lands within the Special Flood Hazard Area (SFHA) as identified on the applicable Flood Insurance Rate Map (FIRM), either (at the city's option):

(A) A 50 percent reduction, or

(B) A reduction to the levels required by the acknowledged comprehensive plan or land use regulations.

(c) For lands within the tsunami inundation zone: no reduction unless the acknowledged comprehensive plan or land use regulations applicable to such areas prohibits or reduces allowed development, in which case the reduction shall be based upon the maximum density allowed by the acknowledged comprehensive plan or land use regulations.

(d) For lands designated for commercial use, contiguous lands of at least one acre with slope greater than 25 percent: a 100 percent reduction, provided that if such land includes slopes less than 25 percent, the reduction applies only to those areas with slopes greater than 25 percent. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;

(e) For lands designated for industrial use, contiguous lands of at least one acre with slope greater than 10 percent: a 100 percent reduction, provided that a lot or parcel with slopes greater than 10 percent that has at least five contiguous acres with slopes less than 10 percent, this authorized reduction does not apply to those areas.

(f) For lands subject to restrictions in density or location of development in an acknowledged comprehensive plan or land use regulations developed pursuant to Statewide Planning Goals 5, 6, or 7: a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

(g) For lands subject to development prohibitions, natural resource protections, or both, in an acknowledged comprehensive plan or land use regulations that implements Statewide Planning Goals 15, 16, 17, or 18: a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

(3) The amount of buildable land in the UGB designated for commercial and industrial uses is that amount determined in OAR 660-038-0120 reduced by the constraints determined under section (2) of this rule.

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

### **660-038-0160 - Establishment of Study Area to Evaluate Land for Inclusion in the UGB**

Cities shall comply with this rule and OAR 660-038-0170 when determining which lands to include within the UGB in response to a deficit of land to meet long-term needs determined under OAR 660-038-0080, 660-038-0150, or both.

(1) The city shall determine which land to add to the UGB by evaluating alternative locations within a “study area” established pursuant to this rule. To establish the study area, the city must first identify a “**preliminary study area**” which **shall not include land within a different UGB** or the corporate limits of a city within a different UGB. The preliminary study area shall include:

(a) All lands in the city’s acknowledged urban reserve, if any;

(b) All lands that are within the following distance from the acknowledged UGB, except as provided in subsection (d):

(A) For cities with a UGB population less than 10,000: one-half mile;

(B) For cities with a UGB population equal to or greater than 10,000: one mile;

(c) All exception areas contiguous to an exception area that includes land within the distance specified in subsection (b) and that are within the following distance from the acknowledged UGB:

(A) For cities with a UGB population less than 10,000: one mile;

(B) For cities with a UGB population equal to or greater than 10,000: one and one-half miles;

(d) At the discretion of the city, the preliminary study area may include land that is beyond the distance specified in subsections (b) and (c).

(2) The city may exclude land from the preliminary study area if it determines that any of the conditions in this section apply to the land:

(a) Based on the standards in section (5) of this rule, it is impracticable to provide necessary public facilities or services to the land;

(b) The land is subject to significant development hazards, due to a risk of:

(A) Landslides: The land consists of a landslide deposit or scarp flank that is described and mapped on the Statewide Landslide Information Database for Oregon (SLIDO) Release 3.2 Geodatabase published by the Oregon Department of Geology and Mineral Industries (DOGAMI) December 2014, provided that the deposit or scarp flank in the data source is mapped at a scale of 1:40,000 or finer. If the owner of a lot or parcel provides the city with a site-specific analysis by a certified engineering geologist



demonstrating that development of the property would not be subject to significant landslide risk, the city may not exclude the lot or parcel under this paragraph;

(B) Flooding, including inundation during storm surges: the land is within the Special Flood Hazard Area (SFHA) identified on the applicable Flood Insurance Rate Map (FIRM);

(C) Tsunamis: the land is within a tsunami inundation zone established pursuant to ORS 455.446.

(c) The land consists of a significant scenic, natural, cultural or recreational resource described in this subsection:

(A) Land that is designated in an acknowledged comprehensive plan prior to initiation of the UGB amendment, or that is mapped on a published state or federal inventory at a scale sufficient to determine its location for purposes of this rule, as:

(i) Critical or essential habitat for a species listed by a state or federal agency as threatened or endangered;

(ii) Core habitat for Greater Sage Grouse; or

(iii) Migration corridors or big game winter range, except where located on lands designated as urban reserves or exception areas;

(B) Federal Wild and Scenic Rivers and State Scenic Waterways, including Related Adjacent Lands described by ORS 390.805, as mapped by the applicable state or federal agency responsible for that scenic program;

(C) Designated Natural Areas on the Oregon State Register of Natural Heritage Resources;

(D) Wellhead protection areas described under OAR 660-023-0140 and delineated on a local comprehensive plan;

(E) Aquatic areas subject to Statewide Planning Goal 16 that are in a Natural or Conservation management unit designated in an acknowledged comprehensive plan;

(F) Lands subject to acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goal 17, Coastal Shoreland, Use Requirement 1;

(G) Lands subject to acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goal 18, Implementation Requirement 2.

(d) The land is owned by the federal government and managed primarily for rural uses.

(3) After excluding land from the preliminary study area under section (2), the city must adjust the study area, if necessary, so that it includes an amount of land that is at least twice the amount of land needed to satisfy the combined need deficiency determined under OAR 660-038-0080 and 660-038-0150. Such adjustment shall be made by expanding the applicable distance specified under section (1) and applying section (2) to the expanded area.

(4) For purposes of evaluating the priority of land under OAR 660-038-0170, the “study area” shall consist of all land that remains in the preliminary study area described in section (1) of this rule after adjustments to the area based on sections (2) and (3).

(5) For purposes of subsection (2)(a), the city may consider it impracticable to provide necessary public facilities or services to the following lands:

(a) Contiguous areas of at least five acres where 75 percent or more of the land has a slope of 25 percent or greater; provided that contiguous areas 20 acres or more that are less than 25 percent slope may not be excluded under this subsection. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;

**(b) Lands requiring the construction of a new freeway interchange, overpass, underpass, or similar improvement to accommodate planned urban development providing such improvement is not currently identified in the Statewide Transportation Improvement Program (STIP) for construction within the planning period;**

(c) Land that is isolated from existing service networks by physical, topographic, or other impediments to service provision such that it is impracticable to provide necessary facilities or services to the land within the planning period. The city’s determination shall be based on an evaluation of:

(A) The likely amount of development that could occur on the land within the planning period;

(B) The likely cost of facilities and services; and,

(C) Any substantial evidence collected by or presented to the city regarding how similarly situated land in the region has, or has not, developed over time.

(d) As used in this section, “impediments to service provision” may include but are not limited to:

(A) Major rivers or other water bodies that would require new bridge crossings to serve planned urban development;

(B) Topographic features such as canyons or ridges with slopes exceeding 40 percent and vertical relief of greater than 80 feet;

**(C) Freeways, rail lines, or other restricted access corridors that would require new grade separated crossings to serve planned urban development;**

(D) Significant scenic, natural, cultural or recreational resources on an acknowledged plan inventory and subject protection measures under the plan or implementing regulations, or on a published state or federal inventory, that would prohibit or substantially impede the placement or construction of necessary public facilities and services.

(6) Land may not be excluded from the preliminary study area based on a finding of impracticability that is primarily a result of existing development patterns. However, a city may forecast development capacity for such land as provided in OAR 660-038-0170(1)(d).

(7) A city that has a population of 10,000 or more that evaluates or amends its UGB using a method described in this division, must notify districts and counties that have territory within the study area in the manner required by ORS 197A.315 and meet other applicable requirements in that statute.

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

#### **660-038-0170 - Evaluation of Land in the Study Area for Inclusion in the UGB; Priorities**

(1) A city considering a UGB amendment must decide which land to add to the UGB by evaluating all land in the study area determined under OAR 660-038-0160, as follows:

(a) Beginning with the highest priority category of land described in section (2), the city must apply section (5) to **determine which land in that priority category is suitable to satisfy the need deficiency** determined under OAR 660-038-0080 and 660-038-0150 and select for inclusion in the UGB as much of the land as necessary to satisfy the need.

(b) **If the amount of suitable land in the first priority category is not adequate to satisfy the identified need deficiency**, the city must apply section (5) to determine which land in the next priority is suitable and select for inclusion in the UGB as much of the suitable land in that priority as necessary to satisfy the need. The city must proceed in this manner until all the land need is satisfied.

(c) If the **amount of suitable land in a particular priority category in section (2) exceeds the amount necessary to satisfy the need deficiency**, the city must choose which land in that priority to include in the UGB by applying the criteria in section (7) of this rule.

(d) In evaluating the sufficiency of land to satisfy a need under this section, the city may consider factors that reduce the capacity of the land to meet the need, including factors identified in sections (5) and (6) of this rule.

(e) Land that is determined to not be suitable under section (5) of this rule to satisfy the need deficiency determined under OAR 660-038-0080 or 660-038-0150 is not required to be selected for inclusion in the UGB unless its inclusion is necessary to serve other higher priority lands.

(2) Priority of Land for inclusion in a UGB:

(a) **First priority is urban reserve, exception land, and nonresource land.** Lands in the study area that meet the description in paragraphs (A) through (C) of this subsection are of equal (first) priority:

(A) Land designated as an urban reserve under OAR chapter 660, division 21, in an acknowledged comprehensive plan;

(B) Land that is subject to an acknowledged exception under ORS 197.732; and

(C) Land that is nonresource land.

(b) **Second priority is marginal land:** land within the study area that is designated as marginal land under ORS 197.247 (1991 Edition) in the acknowledged comprehensive plan.

(c) **Third priority is forest or farm land that is not predominantly high-value farmland:** land within the study area that is designated for forest or agriculture uses in the acknowledged comprehensive plan that is not predominantly high-value farmland, as defined in ORS 195.300, or that does not consist predominantly of prime or unique soils, as determined by the United States Department of Agriculture Natural Resources Conservation Service (USDA NRCS). In selecting as much of the suitable land as necessary to satisfy the need, the city must use the agricultural land capability classification system or the cubic foot site class system, as appropriate for the acknowledged comprehensive plan designation, to select lower capability or cubic foot site class lands first.

(d) **Fourth priority is farmland that is predominantly high-value farmland:** land within the study area that is designated as agricultural land in an acknowledged comprehensive plan and is predominantly high-value farmland as defined in ORS 195.300. A city may not select land that is predominantly made up of prime or unique farm soils, as defined by the USDA NRCS, unless there is an insufficient amount of other land to satisfy its land need. In selecting as much of the suitable land as necessary to satisfy the need, the city must use the agricultural land capability classification system to select lower capability lands first.

(3) Notwithstanding subsections (2)(c) or (d) of this rule, land that would otherwise be excluded from a UGB may be included if:

(a) The land contains a small amount of third or fourth priority land that is not important to the commercial agricultural enterprise in the area and the land must be included in the UGB to connect a nearby and significantly larger area of land of higher priority for inclusion within the UGB; or

(b) The land contains a small amount of third or fourth priority land that is not predominantly high-value farmland or predominantly made up of prime or unique farm soils and the land is completely surrounded by land of higher priority for inclusion into the UGB.

(4) For purposes of categorizing and evaluating land pursuant to subsections (2)(c) and (d) and section (3) of this rule:

(a) **Areas of land not larger than 100 acres may be grouped together and studied as a single unit of land;**

(b) Areas of land larger than 100 acres that are similarly situated and have similar soils may be grouped together provided soils of lower agricultural or forest capability may not be grouped with soils of higher capability in a manner inconsistent with the intent of section (2) of this rule, which requires that higher capability resource lands shall be the last priority for inclusion in a UGB;

(c) When determining whether the land is predominantly high-value farmland, or predominantly prime or unique, “predominantly” means more than 50 percent.

(5) With respect to section (1), a city must assume that vacant or partially vacant land in a particular priority category is “suitable” to satisfy a need deficiency identified in OAR 660-038-0080 or 660-038-

0150, whichever is applicable, unless it demonstrates that the land cannot satisfy the need based on one or more of the conditions described in subsections (a) through (f) of this section:

(a) Existing parcelization, lot sizes or development patterns of rural residential land make that land unsuitable for an identified **employment** need, as follows:

(A) Parcelization: the land consists primarily of **parcels 2-acres** or less in size, or

(B) Existing development patterns: the land cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure.

(b) The land would qualify for exclusion from the preliminary study area under the factors in OAR 660-038-0160(2) but the city declined to exclude it pending more detailed analysis.

(c) The land is, or will be upon inclusion in the UGB, **subject to natural resources protection under Statewide Planning Goals 5** such that that no development capacity should be forecast on that land to meet the land need deficiency.

(d) With respect to **needed industrial uses only, the land is over 10 percent slope**, as measured in the manner described in OAR 660-038-0160(5); is an **existing lot or parcel that is smaller than 5 acres** in size; or both.

(e) The land is subject to a **conservation easement described in ORS 271.715** that prohibits urban development.

(f) The land is **committed to a use described in this subsection and the use is unlikely to be discontinued during the planning period:**

**(A) Public park, church, school, or cemetery, or**

(B) Land within the boundary of an airport designated for airport uses, but not including land designated or zoned for residential, commercial or industrial uses in an acknowledged comprehensive plan or land use regulations.

(6) For vacant or partially vacant lands added to the UGB to provide for **residential** uses:

(a) **Existing lots or parcels one acre or less may be assumed to have a development capacity of one dwelling unit per lot or parcel. Existing lots or parcels greater than one acre but less than two acres shall be assumed to have an aggregate development capacity of two dwelling units per acre.**

(b) In any subsequent review of a UGB pursuant to this division, the city may use a development assumption for land described in subsection (a) of this section for a period of up to 14 years from the date the lands were added to the UGB.

(7) Pursuant to subsection (1)(c), if the amount of suitable land in a particular priority category under section (2) exceeds the amount necessary to satisfy the need deficiency, the city must choose which land in that priority to include in the UGB by first applying the boundary location factors of Goal 14 and then applying applicable criteria in the comprehensive plan and land use regulations acknowledged prior

to initiation of the UGB evaluation or amendment. The city may not apply local comprehensive plan criteria that contradict the requirements of the boundary location factors of Goal 14. The boundary location factors are not independent criteria; when the factors are applied to compare alternative boundary locations and to determine the UGB location the city must demonstrate that it considered and balanced all the factors. The criteria in this section may not be used to select lands designated for agriculture or forest use that have higher land capability or cubic foot site class, as applicable, ahead of lands that have lower capability or cubic foot site class.

(8) The city must apply the boundary location factors in coordination with service providers and state agencies, including the Oregon Department of Transportation (ODOT) with respect to Factor 2 regarding impacts on the state transportation system, and the Oregon Department of Fish and Wildlife (ODFW) and the Department of State Lands (DSL) with respect to Factor 3 regarding environmental consequences. "Coordination" includes timely notice to agencies and service providers and consideration of any recommended evaluation methodologies.

(9) In applying Goal 14 Boundary Location Factor 2, to evaluate alternative locations under section (7), the city must compare 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. For purposes of this section, the term "public facilities and services" means water, sanitary sewer, storm water management, and transportation facilities. The evaluation and comparison under Boundary Location Factor 2 must consider:

(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.

(10) The adopted findings for UGB amendment must describe or map all of the alternative areas evaluated in the boundary location alternatives analysis.

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16



DATE: March 27, 2017  
TO: Doug Rux  
FROM: Bob Parker  
SUBJECT: Comparison of Division 38 and Traditional BLI Methods

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The City of Newberg is preparing to evaluate the sufficiency of lands within its Urban Growth Boundary (UGB). That process has two steps: (1) documentation of land needed for housing, employment and public facilities; and (2) documentation of land supply. Newberg intends to pursue the boundary amendment in the second half of 2017 with the potential of using the Division 38 (OAR 660-038) simplified urban growth boundary method. As an initial step in the process, the City contracted ECONorthwest to prepare a buildable lands inventory (BLI) that complies with applicable state statutes and administrative rules.

The requirements for establishment of a UGB are defined in Statewide Planning Goal 14. The Goal 14 administrative rule (OAR 660-024) provides specific guidance with respect to the adoption and amendment of UGBs. In 2015, however, the Land Conservation and Development Commission (LCDC) developed a new administrative rule that created a simplified pathway for boundary reviews, which is codified as OAR 660-038 (Simplified Urban Growth Boundary Method).

ECONorthwest prepared a BLI using the Division 38 method. The results of the analysis are presented in a report titled "Newberg Buildable Lands Inventory: Division 38 Simplified Method." That report concluded that the rules governing the methods had a number of problems. As a supplement to that study, ECONorthwest developed a BLI using the standard rules to provide a point of comparison to the Division 38 results and to assist City staff in decision making related to the upcoming UGB review. This memorandum summarizes the results of the Standard BLI and compares them to the Division 38 results.

## 1 Results of Traditional BLI

To our knowledge, Newberg is the first city to implement a BLI using the Division 38 methods, and this is the first document to compare the results to a traditional BLI. While it was outside of our scope of work for this project, as we got deeper into the analysis, we were curious about what differences, if any, would emerge between the Division 38 methods and a traditional BLI.

ECO used methods consistent with the many other acknowledged BLIs we have completed for Oregon cities. We also used all the same data for the traditional BLI as for the Division 38 BLI. **The standard BLI presented in this memo does not rely on any previous work done by the**

City and uses the same data sets as the Division 38 BLI it is compared to<sup>1</sup>. The methods used for the standard BLI are described in Appendix A.

Table 1 shows a comparison of land by classification using the Division 38 methods and the standard methods. The results show significant differences. As one would expect, the total number of tax lots and acres is the same for both methods—they build from the same land base. Major differences emerge in the classifications. For reasons explained in the previous section the Division 38 method results in many more tax lots being classified as vacant or partially vacant. The overall result is a 386-acre difference in buildable lands.

**Table 1. All Land by Classification, Division 38 Method and Standard Method, Newberg UGB**

Classification	Tax Lots	Total Acres	Developed Acres	Constrained Acres	Buildable Acres
<b>Division 38 Method</b>					
Developed	6,275	1,362	1,323	40	0
Partially Vacant	389	1,047	300	139	608
Vacant	487	654	0	75	579
Public	215	688	617	71	0
<b>Total</b>	<b>7,366</b>	<b>3,751</b>	<b>2,240</b>	<b>324</b>	<b>1,187</b>
<b>Standard Method</b>					
Developed	6,569	1,860	1,768	92	0
Partially Vacant	169	515	85	72	358
Vacant	277	492	3	47	443
Public	351	884	770	113	0
<b>Total</b>	<b>7,366</b>	<b>3,751</b>	<b>2,626</b>	<b>324</b>	<b>801</b>
<b>Difference</b>					
Developed	-294	-498	-446	-52	0
Partially Vacant	220	532	216	66	250
Vacant	210	162	-3	28	136
Public	-136	-196	-153	-42	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>-386</b>	<b>0</b>	<b>386</b>

Table 2 shows a more detailed comparison by plan designation. Following is a comparison by broad land use categories:

- **Residential.** The Division 38 method identifies 952 buildable acres; the Standard Method identifies 625 acres. Differences exist across all categories, but the biggest difference (203 acres) is in the MDR category. Based on reviewing the data in detail, this is due to several reasons—developments that have no improved value and condo/homeowner association common areas are two key reasons.

<sup>1</sup> The City completed a residential BLI in 2009 and an employment BLI in 2013. Those studies were not referenced as part of this effort.



- **Commercial.** The two methods result in a 20-acre difference in vacant commercial land. The Division 38 method yields 146 acres, while the standard method yielded 126. One key difference here is the Division 38 requirement that all lots that have improvement to land value ratios of between 0.05 and 0.40 and are less than one acre be considered 50% vacant.
- **Industrial.** The Division 38 method identifies 89 vacant industrial acres; the Standard Method 50.

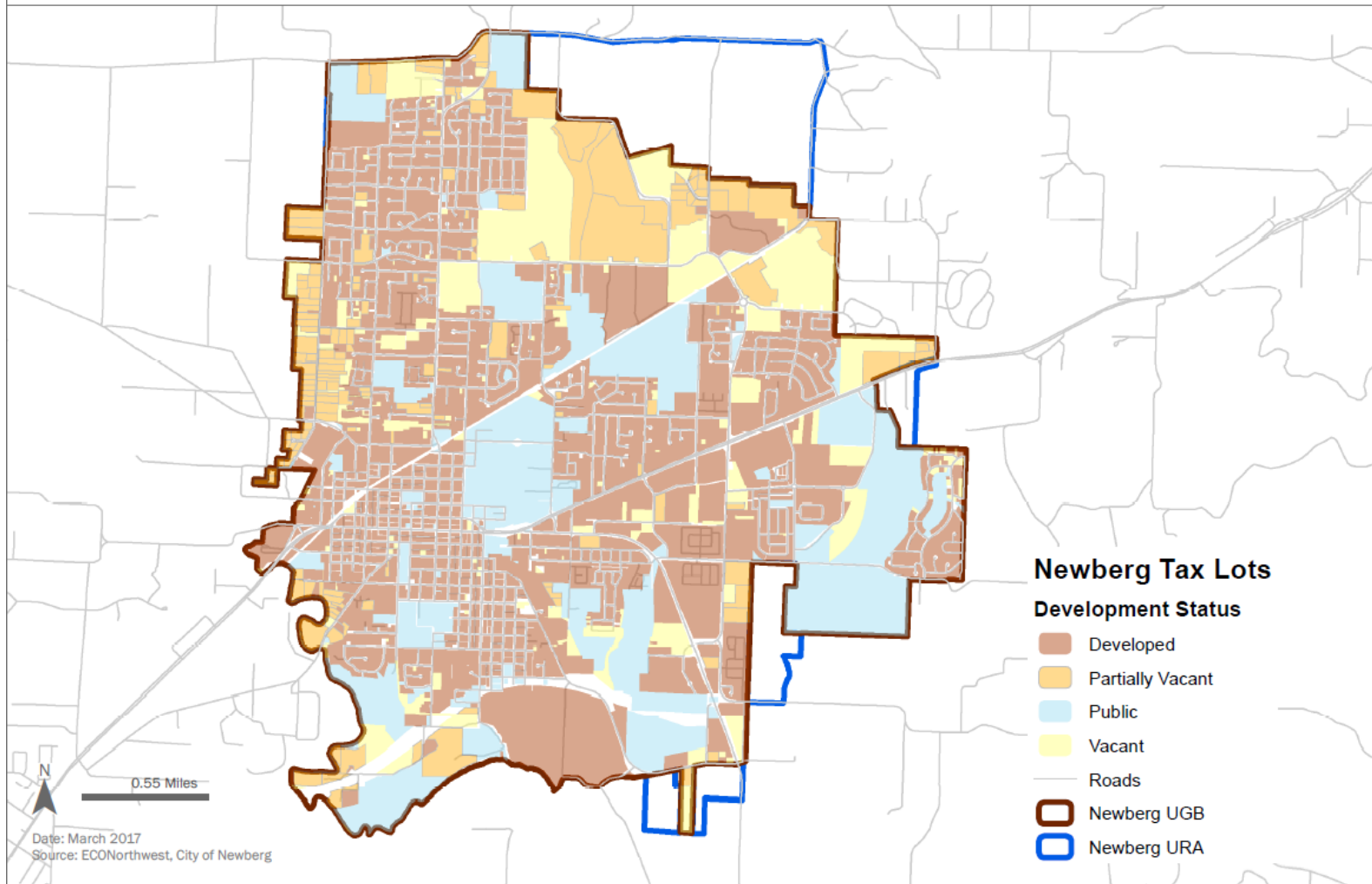
**Table 2. Vacant and Partially Vacant Land by Generalized Plan Designation, Comparison of Division 38 Method and Standard Method, Newberg UGB**

<b>Generalized Plan Designation</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Buildable Acres</b>
<b>Division 38 Method</b>					
<b>Residential</b>					
LDR	349	728	80	82	565
MDR	264	423	42	70	311
HDR	52	94	9	8	76
Subtotal	665	1,244	132	160	952
<b>Employment</b>					
Commercial	155	164	13	5	146
Industrial	55	282	144	49	89
Subtotal	210	446	157	54	235
<b>Total</b>	<b>875</b>	<b>1,690</b>	<b>289</b>	<b>214</b>	<b>1,187</b>
<b>Standard Method</b>					
<b>Residential</b>					
LDR	280	644	66	72	506
MDR	77	149	7	34	108
HDR	11	15	3	1	12
Subtotal	368	809	76	107	625
<b>Employment</b>					
Commercial	48	140	6	8	126
Industrial	30	58	5	4	50
Subtotal	78	198	11	12	176
<b>Total</b>	<b>446</b>	<b>1,007</b>	<b>87</b>	<b>119</b>	<b>801</b>
<b>Difference</b>					
<b>Residential</b>					
LDR	69	83	14	10	59
MDR	187	273	35	35	203
HDR	41	78	7	7	64
Subtotal	297	435	55	53	327
<b>Employment</b>					
Commercial	107	24	7	-3	20
Industrial	25	224	139	45	39
Subtotal	132	247	146	42	59
<b>Total</b>	<b>429</b>	<b>683</b>	<b>202</b>	<b>95</b>	<b>386</b>

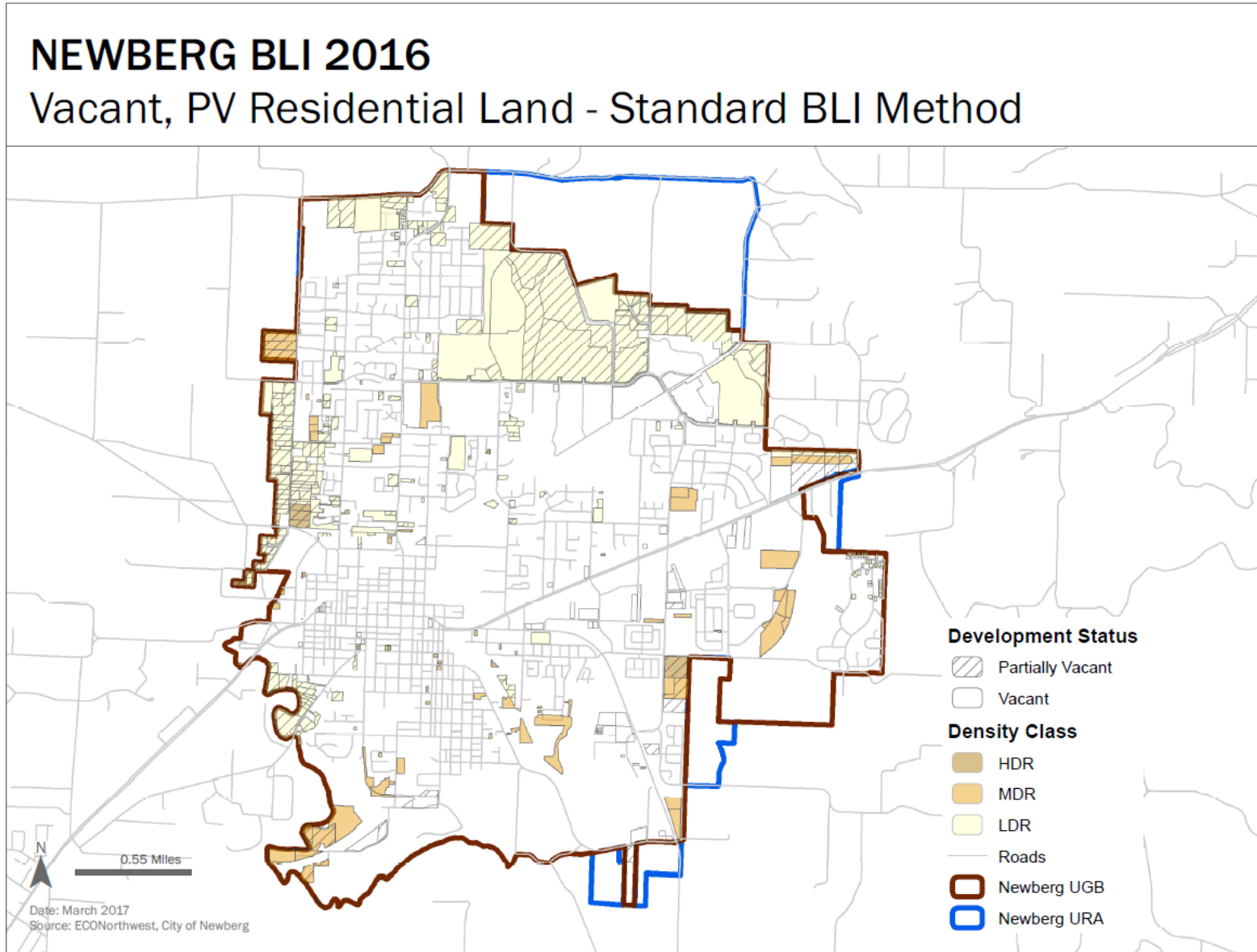
Map 1. Land by Development Status, Traditional Method, Newberg UGB

# NEWBERG BLI 2016

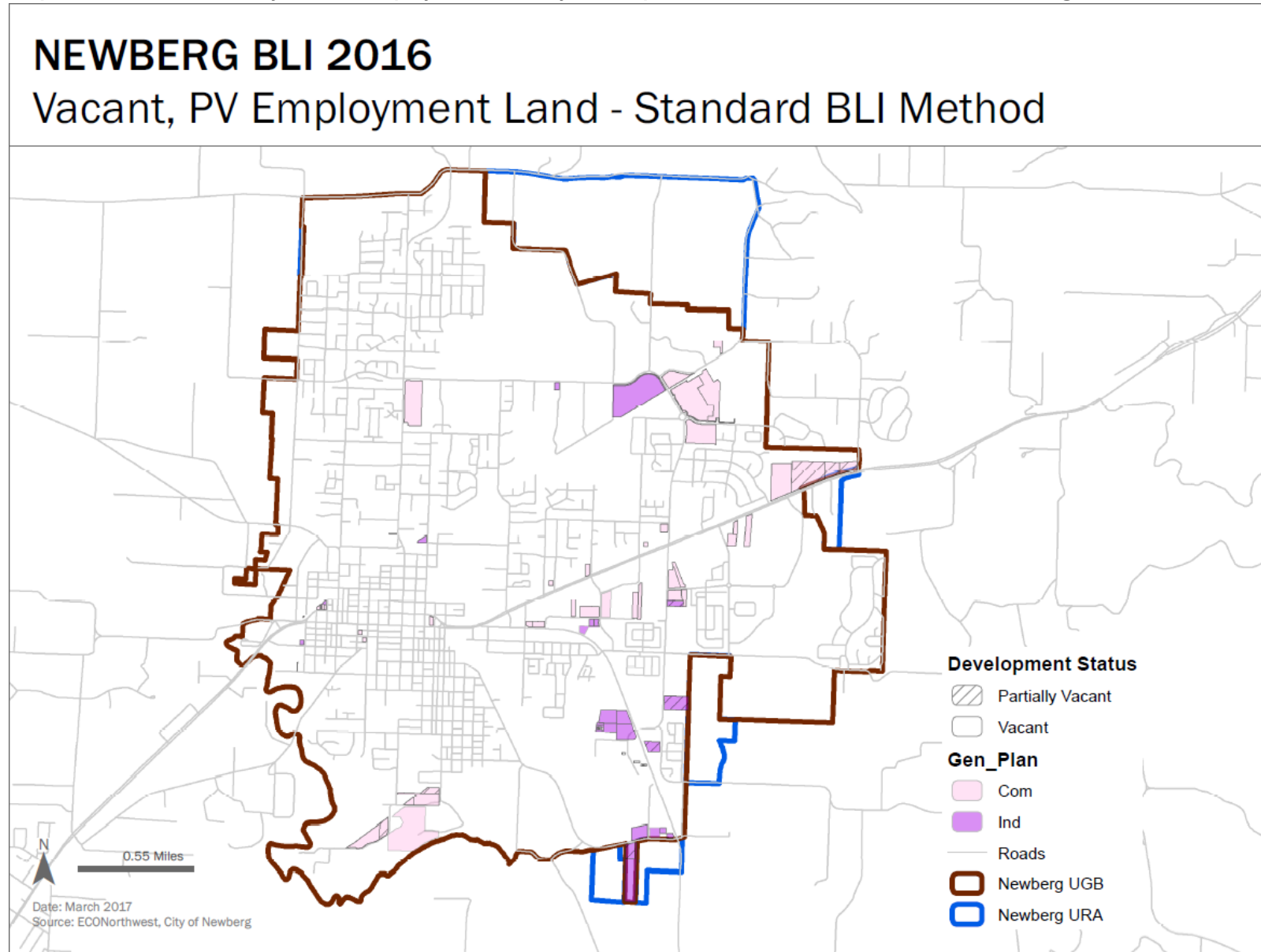
## Development Status - Standard BLI Method



Map 2. Vacant and Partially Vacant Residential Land by Development Status, Traditional Method, Newberg UGB



Map 3. Vacant and Partially Vacant Employment Land by Development Status, Traditional Method, Newberg UGB



## Appendix A: Buildable Land Inventory Methods

The general structure of the standard method buildable land inventory (BLI) analysis is based on the DLCD HB 2709 workbook “*Planning for Residential Growth – A Workbook for Oregon’s Urban Areas*,” which specifically addresses residential lands. The steps and sub-steps in the supply inventory are:

1. Calculate the gross vacant acres by plan designation, including fully vacant and partially vacant parcels.
2. Calculate gross buildable vacant acres by plan designation by subtracting unbuildable acres from total acres.
3. Calculate net buildable acres by plan designation, subtracting land for future public facilities from gross buildable vacant acres.
4. Calculate total net buildable acres by plan designation by adding redevelopable acres to net buildable acres. (note: this study did not evaluate redevelopment potential)

The methods used for this study are consistent with many others completed by ECONorthwest that have been acknowledged by DLCD and LCDC. These include Harrisburg, Grants Pass, Lebanon, Sweet Home, and Newberg to name a few.

This Appendix describes the methods and definitions ECONorthwest used to complete the Newberg buildable lands inventory using traditional methods consistent with Goals 9, 10, and 14.

### 1.1 BLI Methods

The BLI only includes lands within the Newberg UGB—we did not address study areas outside the UGB in this process. The buildable lands inventory uses methods and definitions that are consistent with OAR 660-008, OAR 660-009 and OAR 660-024. The steps in the inventory were:

- **Generate employment “land base.”** This involved “clipping” all of the tax lots in the Newberg UGB with the comprehensive plan layer. The GIS function was followed by a quality assurance step to review the output and validate that the resulting dataset accurately represents all lands designated for employment use in the Newberg UGB.
- **Classify lands.** Each tax lot was classified into one of the following categories:
  - Vacant land
  - Partially vacant land
  - Developed land
  - Public land
- **Identify constraints.** The City identifies areas in steep slopes (over 25%), floodways, 100-year floodplains, areas with landslide hazard, and land identified

for future public facilities (including the Newberg-Dundee Bypass) as constrained or committed lands. These areas are deducted from lands that were identified as vacant or partially vacant. To estimate the constrained area within each tax lot, all constraints listed above were merged into a single constraint file which was overlaid on tax lots.

- **Tabulation and mapping.** The results are presented in tabular and map format with accompanying narrative. The maps include lands by classification, and maps of vacant and partially vacant lands with constraints.

ECO did not evaluate redevelopment potential for this analysis. Consistent with previous efforts, the City will need to assess redevelopment potential if it pursues a traditional UGB review process. Table A-1 shows data sources used for the BLI.

**Exhibit A-1. Data Sources for Newberg BLI**

Data	Source	Description
Tax lots – Yamhill	Yamhill County Assessor, provided by City of Newberg	Tax lot fabric for entire county. Fabric includes roads.
City Boundaries	City	Includes city limit, UGB and urban reserve areas
UGB	Oregon Spatial Explorer	2015 UGBs
Counties	Oregon Spatial Explorer	2015 County boundaries
Streets	City of Newberg	City / county roads
Streams	City of Newberg	Perennial streams
Zoning	Yamhill County; Metro RLIS (Washington); Marion County GIS	Zoning outside incorporated city boundaries
Landslide areas	DOGAMI SLIDO 3.2 database	DOGAMI mapped landslide areas
Special Flood Area	Oregon Spatial Explorer – statewide FEMA FIRM database	Areas of special flood hazard
Building Footprint	City of Newberg	Building footprints for land inside the Newberg UGB

## 1.2 Definitions

The first step in the buildable inventory was to develop working definitions and assumptions. ECO began the buildable lands analysis with a tax lot database provided by the City’s GIS staff. The tax lot database was current as of October 2016. The inventory builds from the tax lot-level database to estimates of buildable land by plan designation.

A key step in the buildable lands inventory was to classify each tax lot into a set of mutually exclusive categories. Consistent with applicable administrative rules, all tax lots in the UGB are classified into one of the following categories:

- *Vacant land.* Tax lots that have no structures or have buildings with very little value. For the purpose of this inventory, residential and employment lands with improvement values under \$10,000 are considered vacant. These lands were subject to aerial photo review; if photos showed the land was in a committed use such as a parking lot, an assessment was made to determine if it should be classified as partially vacant or developed.
- *Partially vacant land.* Partially vacant tax lots are those occupied by a use but which contain enough land to be further subdivided without need of rezoning. This determination was made through review of aerial photographs.
- *Developed land.* Land that is developed at densities consistent with zoning with improvements that make it unlikely to redevelop during the analysis period. Lands not classified as vacant, partially-vacant, or undevelopable are considered developed.
- *Public land.* Lands in public ownership are mostly considered unavailable for employment uses. This includes lands in Federal, State, County, City, or other public ownership. Public lands were identified using the Yamhill County Assessment property tax exemption codes and verified by reviewing ownership. This category only includes public lands that are in a public plan designation and those located in residential or employment plan designations.

ECO initially classified land using a rule-based methodology. ECO then generated maps that show the results of the application of those rules, with some adjustments made through a validation step based on review of aerial photos and building permit data.

### 1.3 Development constraints

Consistent with state guidance on buildable lands inventories, ECO deducted certain constraints from the buildable lands inventory including wetlands and steep slopes. We use categories that are more restrictive than the definition provided in OAR 660-009-0005(2):

(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.

Based on the Division 9 rule and data provided by the City of Newberg and discussions with City staff, ECO deducted the following constraints from the employment lands inventory.

- *Land constrained by natural hazards.* This includes:
  - *Land within floodways.* We deducted lands within floodways as identified on the FEMA FIRM maps.



- *Lands within floodplains.* We deducted lands in the Special Flood Hazard Area (the 100-year floodplain) from the buildable lands inventory.
- *Land with slopes over 25%.* Lands with slopes over 25% are considered unsuitable for development.
- *Lands with landslide potential.* This included lands identified in DOGAMI's SLIDO 3.0 database.
- *Land within natural resource protection areas.* This includes wetlands and stream corridors.

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# Newberg Buildable Lands Inventory

February 2017

Prepared for:  
City of Newberg

***DRAFT REPORT***

**ECONorthwest**  
ECONOMICS • FINANCE • PLANNING

KOIN Center  
222 SW Columbia Street  
Suite 1600  
Portland, OR 97201  
503.222.6060

ECONorthwest prepared this report for the City of Newberg. Newberg provided key geographic information system (GIS) data sets necessary for the inventory. All analysis conducted by ECONorthwest

**City of Newberg**

Douglas Rux, Community Development Director

**Consulting Staff**

Bob Parker, AICP, Project Director, ECONorthwest

Beth Goodman, Project Manager, ECONorthwest

For over 40 years ECONorthwest has helped its clients make sound decisions based on rigorous economic, planning, and financial analysis. For more information about ECONorthwest: [www.econw.com](http://www.econw.com). For more information about this report, please contact:

Douglas Rux  
Community Development Director  
City of Newberg  
414 E. First Street  
Newberg, OR, 97132  
Phone: 503-537-1212  
[Doug.Rux@newbergoregon.gov](mailto:Doug.Rux@newbergoregon.gov)

Beth Goodman  
ECONorthwest  
222 SW Columbia, Suite 1600  
Portland, OR 97201  
503-222-6060  
[goodman@econw.com](mailto:goodman@econw.com)

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# 1. Introduction

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The City of Newberg (City) is preparing to evaluate the sufficiency of lands within its Urban Growth Boundary (UGB). That process has two steps: (1) documentation of land needed for housing, employment and public facilities; and (2) documentation of land supply. Because the City is preparing for a UGB amendment, lands outside the UGB must also be inventoried. Newberg intends to pursue the boundary amendment in the second half of 2017 or first half of 2018 using the Division 38 (OAR 660-038) simplified urban growth boundary method. As an initial step in the process, the City contracted ECONorthwest to prepare a buildable lands inventory (BLI) that complies with applicable state statutes and administrative rules through a Technical Assistance Grant from the Oregon Department of Land Conservation and Development (DLCD) as part of a pre-UGB evaluation process as part of Division 38 (OAR 660-038) requirements.

The requirements for establishment of a UGB are defined in Statewide Planning Goal 14. The Goal 14 Oregon Administrative Rule (OAR 660-024) provides specific guidance with respect to the adoption and amendment of UGBs. In 2015, however, the Land Conservation and Development Commission (LCDC) developed a new administrative rule that created a simplified pathway for boundary reviews, which is codified as OAR 660-038 (Simplified Urban Growth Boundary Method). At this time through the DLCD grant, Newberg intends to use the Division 38 simplified method subject to the analysis of the BLI of and direction provided by the Newberg City Council. That method provides detailed guidance on how buildable land inventories must be completed.

Thus, the legal requirements that govern the BLI for the City of Newberg are defined in OAR 660-038. Relevant sections include:

- **660-038-0060 - Buildable Lands Inventory (BLI) for Residential Land within the UGB.** A city must determine the supply and development capacity of lands within its UGB by conducting a buildable lands inventory (BLI) as provided in this rule.
- **660-038-0070 - Adjust Residential Lands Inventory to Account for Constrained Lands.** A city must adjust the inventory of residential lands prepared under OAR 660-038-0060 to account for constrained lands using this rule.
- **660-038-0120 - Inventory of Buildable Employment Land within the UGB.** A city must determine the supply and development capacity of employment lands within its UGB at the time of initiation by conducting a buildable lands inventory (BLI) for employment land as provided in this rule and OAR 660-038-00130.
- **660-038-0130 - Adjust Employment Buildable Land Inventory to Account for Constrained Lands.** A city must adjust the employment buildable lands inventory determined under OAR 660-038-0120 to account for constrained lands using this rule.
- **660-038-0160. Establishment of Study Area to Evaluate Land for Inclusion in the UGB.** Cities shall comply with this rule and OAR 660-038-0170 when determining which lands

to include within the UGB in response to a deficit of land to meet long-term needs determined under OAR 660-038-0080, 660-038-0150, or both.

- **660-038-0170 - Evaluation of Land in the Study Area for Inclusion in the UGB; Priorities.** A city considering a UGB amendment must decide which land to add to the UGB by evaluating all land in the study area determined under OAR 660-038-0160.

In short, the Division 38 rule creates several categories of land that is broadly divided between land within the current UGB and land in the required UGB study area. The rules provide specific guidance on how to address residential and employment lands within the UGB (but not public lands). The rules also provide guidance for evaluation of lands in the UGB study areas. In simple terms, the BLI for both residential and commercial and industrial lands consists of several common steps:

1. Determining the UGB study area
2. Classifying land into mutually exclusive categories by development status
3. Deducting land with development constraints
4. Developing tabular summaries of lands by classification and plan designation
5. Estimating land holding capacity in terms of dwellings and employees

The process includes verification of land classifications (step 2 above; these can be thought of as development status) by City staff through review of draft maps provided by ECO.

This report summarizes the methods ECO proposes to use to conduct the Newberg BLI, including definitions and procedures we used for the classifications. It also includes a list of development constraints and how they are addressed in the buildable land inventory.

## 2. Methods

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The methods for a Division 38 buildable lands inventory are largely defined in the rule. Consistent with Statewide Planning Goal 14, the rule addresses lands inside and outside UGBs in different ways. For land inside the UGB, OAR 660-038-0060 and 0070 describe the methods for residential lands, and OAR 660-038-0110 and 0120 describe the methods for employment lands. The simplified method does not require public land inside the UGB to be inventoried. OAR 660-038-0160 provides guidance for establishing a UGB study area, and OAR 660-038-0170 describes methods for evaluating lands outside the UGB. The relevant sections of the Administrative Rule are included in Appendix A.

The inventory is based on Yamhill County Assessment data that was current as of October 2016. The City provided additional data on plan designation, zoning, building footprints, and some natural hazards. Other data was obtained from the Oregon Geospatial Explorer. A full list of data sets used in the inventory is included in Appendix A.

The remainder of this chapter describes the general steps ECO used to implement the inventory. It is organized around lands inside and outside the UGB.

### 2.1 Land inside the UGB

The initial steps in the inventory include basic data processing. ECO used the UGB layer provided by the City (which was confirmed consistent with the 2015 boundary on the URA layer from the Oregon Geospatial Data Library) to “clip” tax lots within the UGB. ECO then merged in plan designation data.

Some tax lots clearly had split plan designations. While the rule does not address split plan designations, ECO and the City agreed they were too significant to ignore. For the purpose of the Newberg BLI, ECO and the Community Development Director reviewed maps and agreed on specific tax lots with split plan designations to split. Any lot with a split over two acres was evaluated; any lot with at least 0.5 acre in a split was split.

#### Residential Land

Division 38 has specific language for how residential land is inventoried. The general steps are as follows:

1. Assign a density class to each plan designation (OAR 600-038-0060(1)). Division 38 requires each parcel be identified as low-, medium-, or high-density residential based on a set of prescribed densities. ECO reviewed the Newberg Comprehensive Plan and discussed it with City staff. Residential lands were coded into Division 38 categories as shown in Exhibit 1.



**Table 1. Newberg Plan Designations and Division 38 Density Categories**

<b>Plan Designation</b>	<b>Density Class</b>
LDR	LDR
LDR/1A	LDR
LDR/SP	LDR
LDR-6.6	LDR
SD/LDR	LDR
MDR	MDR
MDR/RD	MDR
MDR/SP	MDR
MIX/SP	MDR
SD/MRR	MDR
HDR	HDR
HDR/SP	HDR

2. Assign improvement (development status). Division 38 has thresholds for determination of improvement status—Vacant, Partially Vacant, Developed. The city must identify all vacant lots and parcels with a residential comprehensive plan designation as described in OAR 660-038-0060((2)).
  - i. *A city shall assume that a lot or parcel is vacant if it is at least 3,000 square feet with a real market improvement value of less than \$10,000.*
  - ii. *(3) The city must identify all partially vacant lots and parcels with a residential comprehensive plan designation, as follows: (a) For lots and parcels at least one-half acre in size that contain a single-family residence, the city must subtract one-quarter acre for the residence, and count the remainder of the lot or parcel as vacant land*
  - iii. *(b) For lots and parcels at least one-half acre in size that contain more than one single-family residence, multiple-family residences, non-residential uses, or ancillary uses such as parking areas and recreational facilities, the city must identify vacant areas using an orthophoto or other map of comparable geometric accuracy. For the purposes of this identification, all publicly owned park land shall be considered developed. If the vacant area is at least one-quarter acre, the city shall consider that portion of the lot or parcel to be vacant land.*
  - iv. *All other residential is classified as “Developed.”*
3. Deduct constraints. OAR 660-0380-0070 describes the methods:
  - (a) Floodways and water bodies.
  - (b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;
  - (c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;
  - (d) Contiguous lands of at least one acre with slopes greater than 25 percent.
  - (e) Lands subject to development restrictions as a result of acknowledged

comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and

(f) Lands subject to development prohibitions, natural resource protections, or both in acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 15, 16, 17, or 18.

The rule provides guidance for how much land can be deducted for each constraint.

Constraint	Deduction
(a) Floodways and water bodies.	100%
(b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;	100%
(c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;	no reduction unless the acknowledged comprehensive plan or land use regulations prohibits or reduces residential development
(d) Contiguous lands of at least one acre with slopes greater than 25 percent.	For lands with slopes that are greater than 25 percent: a 100 percent reduction. However, if the lot or parcel includes land with slopes less than 25 percent, the reduction applies only to the land with slopes greater than 25 percent.
(e) Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and	a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.
(f) Lands subject to development prohibitions, natural resource protections, or both in acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 15, 16, 17, or 18.	a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

4. Summarize results. This is a standard BLI step—develop maps and tables that summarize the results of the BLI and show the geographic location of lands.

## Employment Land

Division 38 has specific language for how residential land is inventoried. The general steps are as follows:

1. Classify land as commercial or industrial. Division 38 requires classification of zoning and plan map districts as “commercial” or “industrial” based on the applicable definitions in OAR 660-038-0010. This step also identifies all employment lands that will be included in the inventory.

2. Assign improvement (development status). The city must identify which lots or parcels are vacant, partially vacant, or developed and calculate the total area of such land using the provisions of OAR 660-038-0120(2):

*(a) A city may assume that a lot or parcel is vacant if the real market improvement value is less than \$5,000 or if the real market improvement value is less than or equal to 5 percent of the real market land value.*

*(b) A city may assume that a lot or parcel is partially vacant if either:*

*(A) The real market improvement value of the lot or parcel is greater than five percent and less than 40 percent of the real market land value, in which case, the city must assume that 50 percent of the lot or parcel is developed and 50 percent is vacant, or*

*(B) Based on an orthomap, the lot or parcel is greater than one acre in size and at least one-half acre is not improved.*

*(c) A city may assume that a lot or parcel is developed if the real market improvement value is greater than or equal to 40 percent of the real market land value.*

3. Deduct constraints. OAR 660-0380-0070 describes the methods:

*(a) Floodways and water bodies. For the purpose of this subsection, "water bodies" includes:*

*(A) Rivers; and*

*(B) Lakes, ponds, sloughs, and coastal waters at least one-half acre in size;*

*(b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;*

*(c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;*

*(d) Contiguous lands planned and zoned for commercial use of at least one acre with slopes that are greater than 25 percent. For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;*

*(e) Contiguous lands planned and zoned for industrial use of at least one acre with slopes that are greater than 10 percent. For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;*

*(f) Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and*

*(f) Lands subject to development prohibitions, natural resource protections, or both, in an acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goals 15, 16, 17, or 18.*

The rule provides guidance for how much land can be deducted for each constraint.

<b>Constraint</b>	<b>Deduction</b>
(a) Floodways and water bodies.	a 100 percent reduction.
(b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;	For other lands within the Special Flood Hazard Area (SFHA) as identified on the applicable Flood Insurance Rate Map (FIRM), either (at the city's option): (A) A 50 percent reduction, or (B) A reduction to the levels required by the acknowledged comprehensive plan or land use regulations.
(c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;	no reduction unless the acknowledged comprehensive plan or land use regulations prohibits or reduces residential development
(d) Contiguous lands planned and zoned for commercial use of at least one acre with slopes that are greater than 25 percent. For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;	Contiguous lands of at least one acre with slope greater than 25 percent: a 100 percent reduction
(e) Contiguous lands planned and zoned for industrial use of at least one acre with slopes that are greater than 10 percent. For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;	For lands designated for industrial use, contiguous lands of at least one acre with slope greater than 10 percent: a 100 percent reduction, provided that a lot or parcel with slopes greater than 10 percent that has at least five contiguous acres with slopes less than 10 percent, this authorized reduction does not apply to those areas.
(f) Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and	a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.
(f) Lands subject to development prohibitions, natural resource protections, or both, in an acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goals 15, 16, 17, or 18.	a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

1. Summarize results. This is a standard BLI step—develop maps and tables that summarize the results of the BLI and show the geographic location of lands.

## Defining the UGB Study Area

Division 38 has specific language for how residential land is inventoried. The general steps are as follows—a more detailed description is presented in Appendix B. Division 38 has specific language for how residential land is inventoried. The general steps are as follows:

1. Identify any urban reserves. The ORS 197A.320 and Division 38 priority scheme makes exception lands and urban reserves the same priority.
2. Establish “preliminary” study area. This step involves UGB buffers dependent on population. For Newberg, these were 1 and 1.5 mile buffers. Lands within other UGBs are excluded. We note that we did not exclude constrained lands at this step. Lands across the Willamette River and in the Dundee UGB were excluded.
3. Adjust study area to include 2x need. We could not do this step because the PSU PRC data will not be available until the end of June 2017 because of ORS requirements. This effectively delays Region 3 from using Division 38 fully. For the purpose of this study we assume that the approximately 10,000 acres within the study area will be more than double land need.
4. Exclude land that is impractical to serve. Because we did not know the specific need, we did not make such deductions. The size of the URA and UGB study area suggest that the City should be able to meet a 14-year land need within the study area after making deductions for constraints. Moreover, the serviceability requirements outlined in Division 38 are unclear and untested and cannot be calculated at this initial level of evaluation.

Appendix A describes the methods used to create the study area in detail.

## 3. Newberg Buildable Land Inventory

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This chapter presents the results of the Newberg BLI using the Division 38 methodology. The results are organized into three sections:

1. Overview. This section summarizes basic data about the three areas of interest for this BLI—the UGB, the Urban Reserve Areas, and the UGB study area.
2. Land in the Newberg UGB. This section presents the results of the Division 38 BLI for lands inside the Newberg UGB.
3. Land in the Newberg UGB Study Areas. This section presents results for the UGB Study Area. It includes a summary of land within Newberg’s Urban Reserve Areas (URAs) as well as lands within the UGB study area as determined by the Division 38 rule.

The results are intended to support a potential future boundary amendment process by the City of Newberg.

### 3.1 Overview

ECO traditionally summarizes basic attributes of study areas in our BLIs. We do this to provide context—how big is the UGB? How many acres are in tax lots? How much land is in roads and water? All of these statistics deepen our understanding of land use in a UGB.

Table 2 shows that Newberg has 4,476 acres within its UGB. Seventy percent of that land (3,111 acres) is in private tax lots. About 677 acres (15% is in federal, state or local public ownership), and about 687 acres (15%) are in roads or other right-of-ways.

**Table 2. Summary of Study Areas**

<b>Location/Attribute</b>	<b>Acres</b>
<b>UGB</b>	<b>4,476</b>
Area in Private Tax Lots	3,111
Public Land	677
Roads	687
<b>URA</b>	<b>551</b>
Area in Private Tax Lots	527
Area in Roads	24
<b>Buffer (outside UGB and URA)</b>	
1-mile	4,700
1.5-mile	10,756

Source: Newberg and Yamhill County GIS data; analysis by ECONorthwest

Table 3 shows area by generalized plan designation in the Newberg UGB. This analysis is from the City Comprehensive Plan map and includes areas not in tax lots. Slightly more than half (51%) of land in the City is in a residential plan designation. The actual amount of land in residential designations is higher, as some of the mixed-use land can be used for housing, and a lot of the Springbrook master planned area is designated for residential uses.

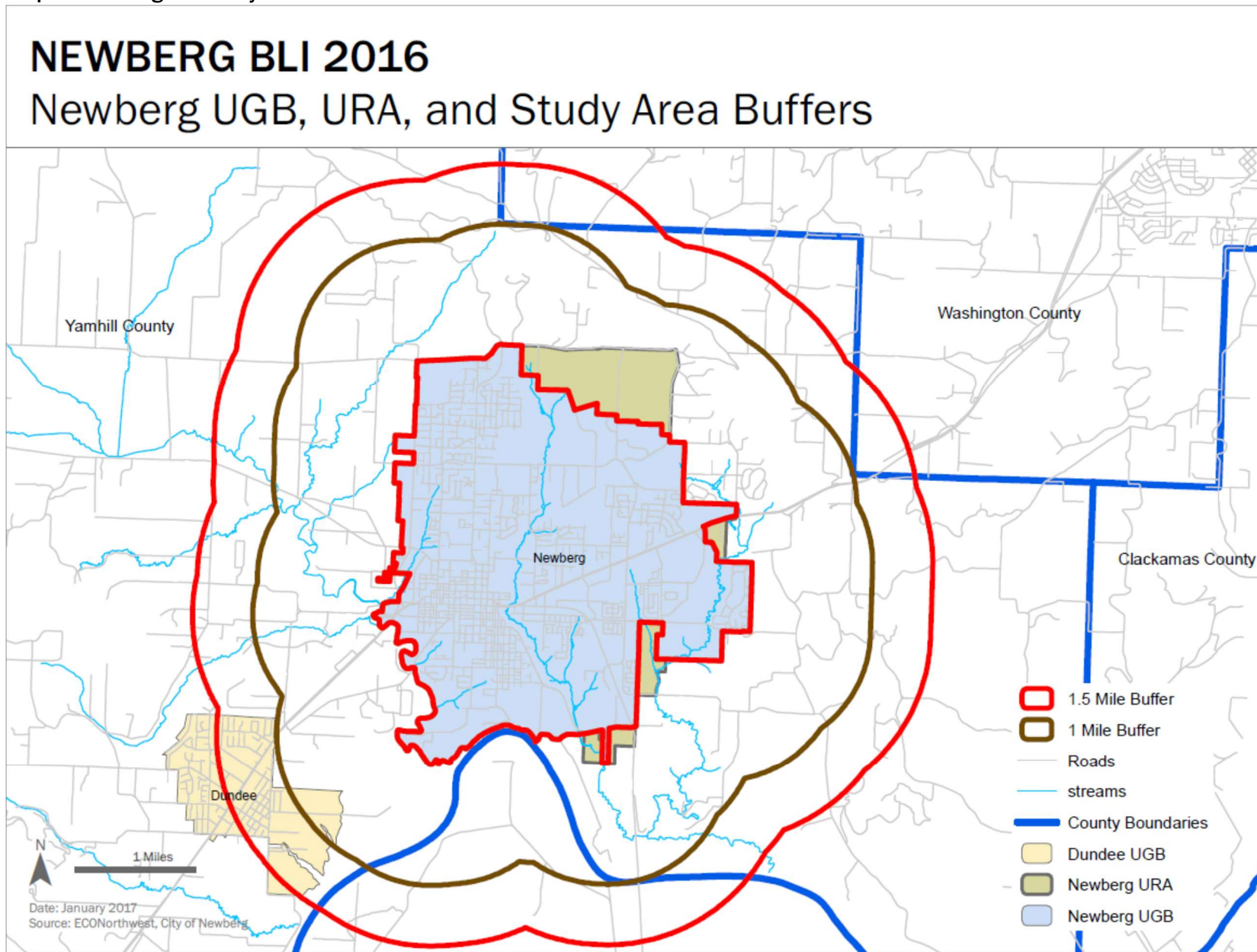
**Table 3. Area by Generalized Plan Designation, Newberg UGB**

<b>Generalized Plan Designation</b>	<b>Acres</b>	<b>Percent of Acres</b>
Commercial	281	6%
Industrial	533	12%
Low Density Residential	1,232	28%
Medium Density Residential	888	20%
High Density Residential	152	3%
Mixed-Use	196	4%
Public	707	16%
Springbrook Master Plan	487	11%
<b>Total</b>	<b>4,475</b>	<b>100%</b>

Source: Newberg Comprehensive Plan Designation; analysis by ECONorthwest

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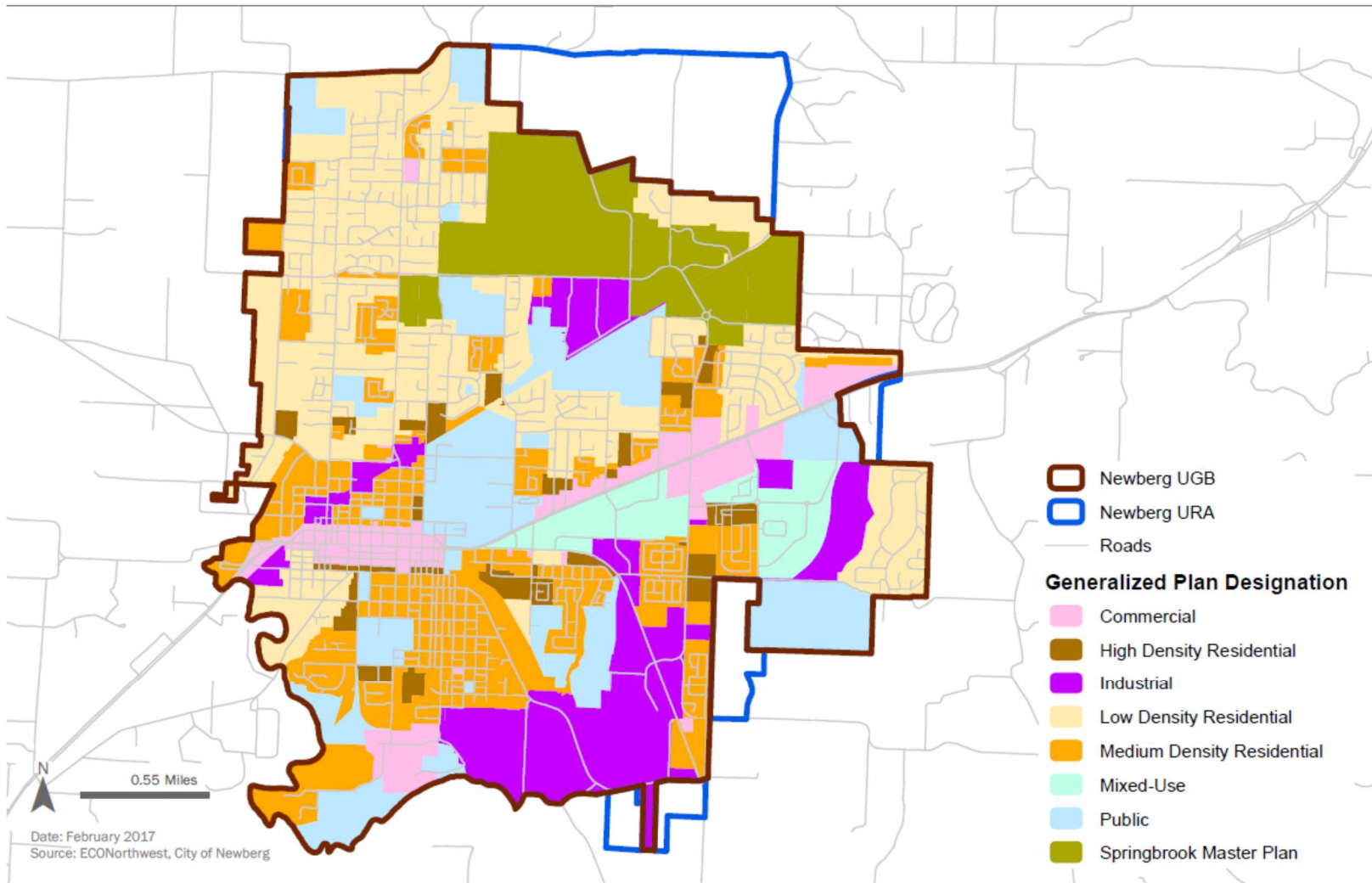
Map 1. Newberg BLI Study Area Buffers





# NEWBERG BLI 2016

## Newberg UGB Generalized Plan Designation



## 3.2 Lands in the Newberg UGB

Every UGB review starts with an inventory of lands within the current boundary. This provides the foundational data to assess capacity for new housing and employment. Because Division 38 uses different methods for residential and employment lands, we divide the results into two sections.

### Residential Land

Table 4 and Map 3 show residential land by development status and density. The results show that Newberg has about 2,192 acres in tax lots with residential plan designations. About 60% of all residential land in Newberg is in the low-density (LDR) category, 35% is in the MDR, and 6% in the HDR. Applying the Division 38 rules, about 948 acres were classified as “developed”, 790 as “partially vacant,” and 454 as “vacant.”

**Table 4. Residential Land by Division 38 Development Status and Density, Newberg UGB, 2016**

Status	Density Category			Total
	LDR	MDR	HDR	
Developed	564	350	33	948
Partially Vacant	448	261	81	790
Vacant	279	162	12	454
<b>Total</b>	<b>1,292</b>	<b>773</b>	<b>127</b>	<b>2,192</b>

Source: Newberg and Yamhill County GIS data; analysis by ECONorthwest

Table 5 shows all residential land by density class and constraint status. The result show 1,061 acres with improvements on developed or partially vacant tax lots. About 952 acres are vacant after deducting constraints consistent with Division 38 rules.

**Table 5. Residential Land by Division 38 Density Class and Constraint Status, Newberg UGB, 2016**

Div 38 Density Class	Tax Lots	Total Acres	Improved Acres	Constrained Acres	Vacant Acres
LDR	3,339	1,292	634	93	565
MDR	2,800	773	385	77	311
HDR	407	127	42	9	76
<b>Total</b>	<b>6,546</b>	<b>2,192</b>	<b>1,061</b>	<b>179</b>	<b>952</b>

Source: Newberg and Yamhill County GIS data; analysis by ECONorthwest

Table 6 shows the vacant area of vacant and partially vacant tax lots. The results show that about 52% of vacant and partially vacant residential tax lots are LDR, 40% MDR, and 8% HDR. With respect to area, 59% of vacant acres are in LDR, 33% in MDR, and 8% in HDR.

**Table 6. Vacant and Partially Vacant, Residential Land by Division 38 Density Class-, Newberg UGB, 2016**

<b>Div 38 Density Class</b>	<b>Tax Lots</b>	<b>Percent of Tax Lots</b>	<b>Vacant Acres</b>	<b>Percent of Vacant Acres</b>
LDR	349	52%	565	59%
MDR	264	40%	311	33%
HDR	52	8%	76	8%
<b>Total</b>	<b>665</b>	<b>100%</b>	<b>952</b>	<b>100%</b>

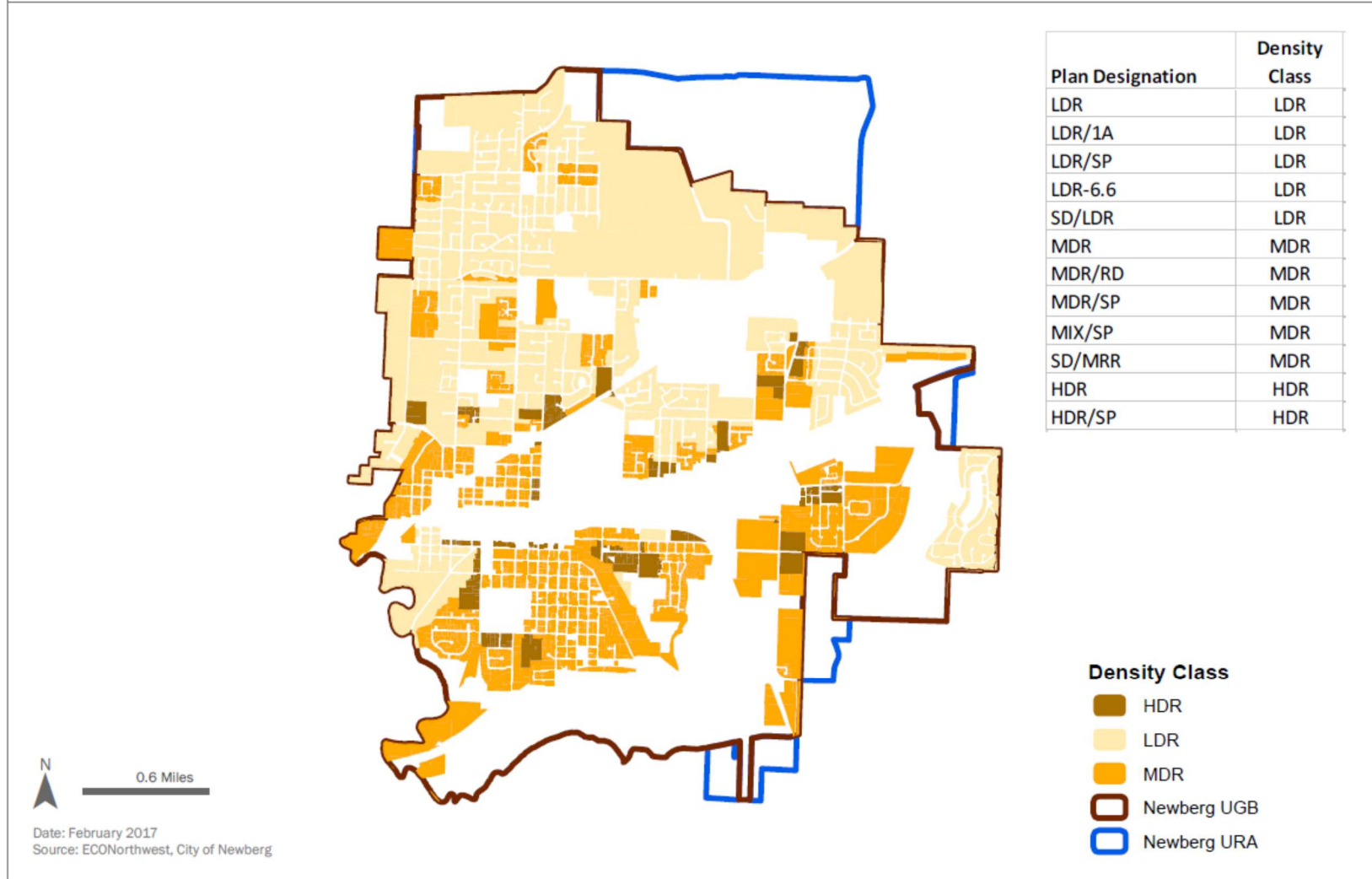
Map 4 shows vacant and partially vacant residential land by density class. Map 5 adds constraints to the map.

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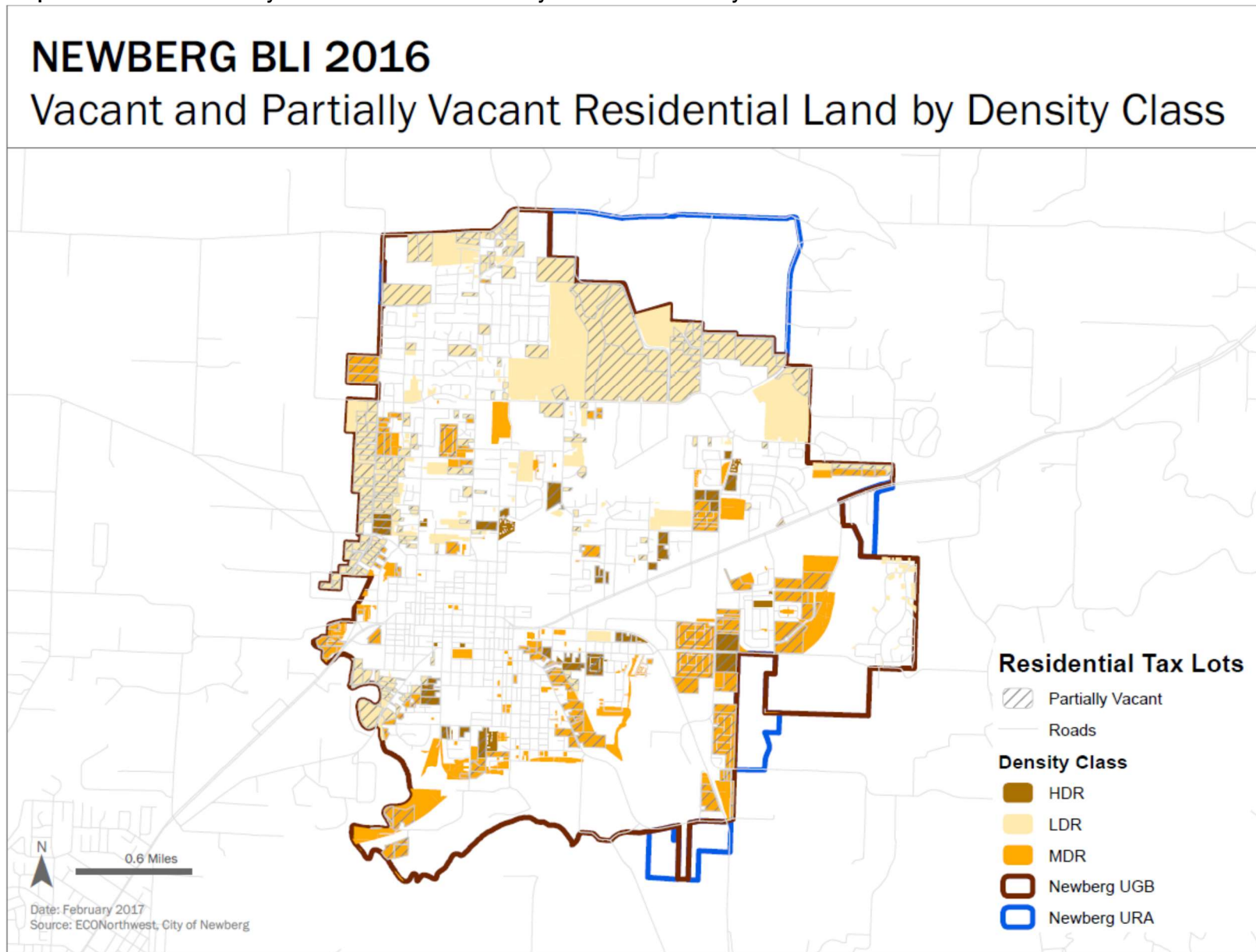
Map 3. All Residential Land by Division 38 Density Class

# NEWBERG BLI 2016

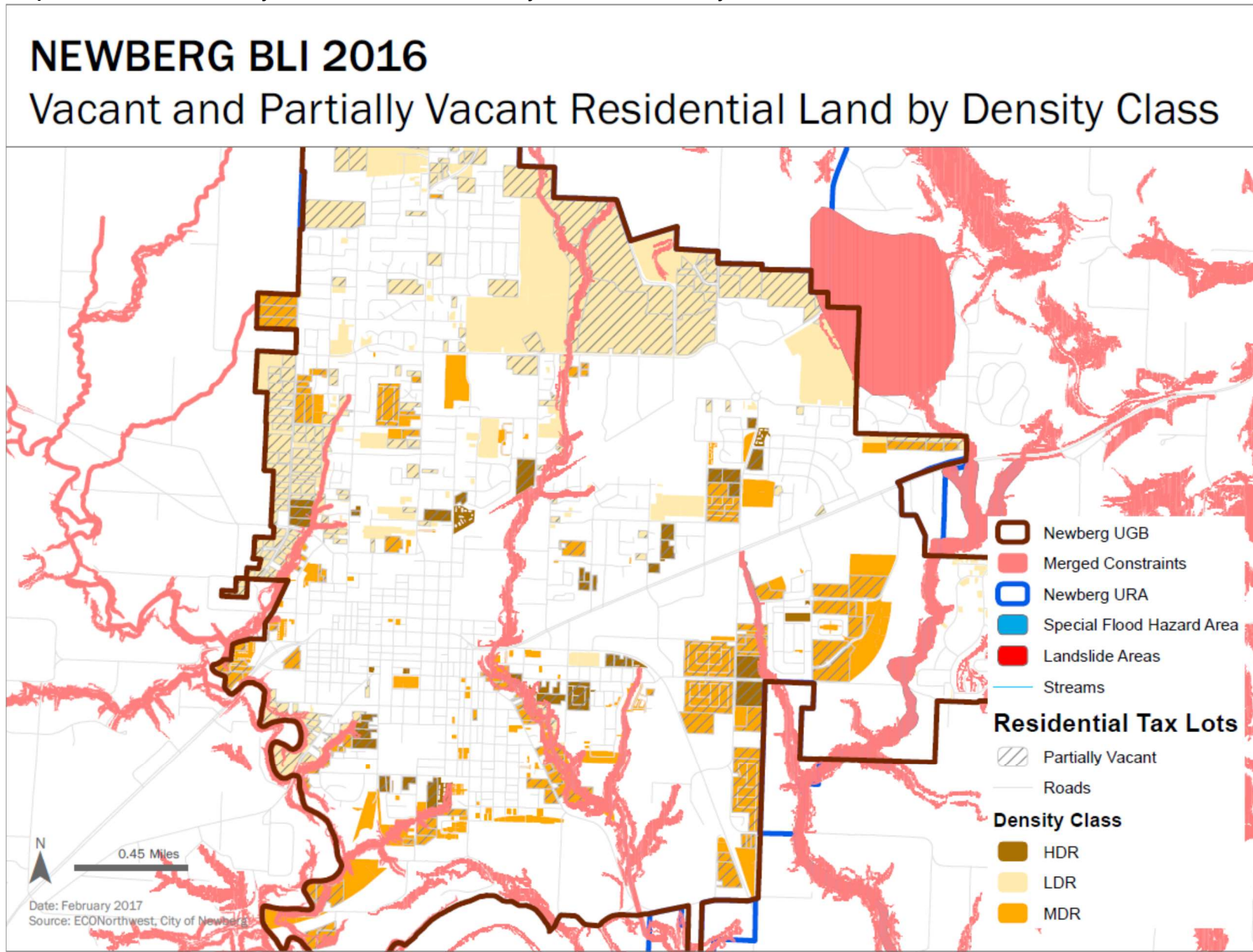
## Division 38 - Residential Density Class



Map 4. Vacant and Partially Vacant Residential Land by Division 38 Density Class



Map 5. Vacant and Partially Vacant Residential Land by Division 38 Density Class and Constraint Status



## Employment Land

The Division 38 rule requires commercial and industrial lands to be analyzed separately. The key difference is in how the rules treat constraints on commercial and industrial lands.

Table 7 shows all commercial land by development and constraint status. The results show that Newberg has about 381 acres of commercial land. About 146 acres are vacant without constraints.

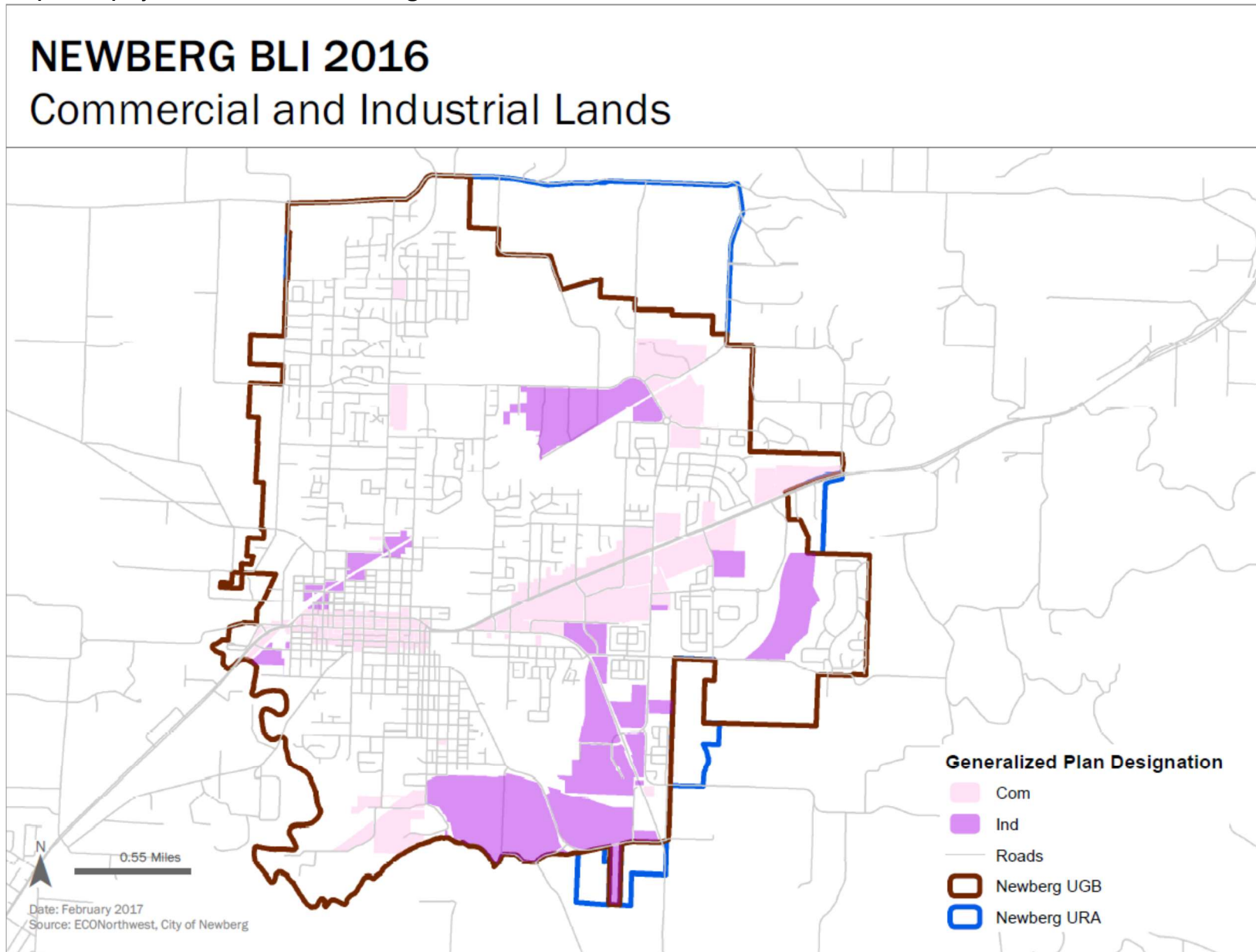
**Table 7. All Commercial Land by Development and Constraint Status, Newberg UGB, 2016**

<b>Development Status</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Vacant Acres</b>
Developed	275	218	212	6	0
Partially Vacant	64	46	13	1	32
Vacant	91	118	0	4	114
<b>Total</b>	<b>430</b>	<b>381</b>	<b>225</b>	<b>10</b>	<b>146</b>

Source: Newberg and Yamhill County GIS data; analysis by ECONorthwest

Map 6 shows employment lands in the Newberg UGB. Map 7 shows vacant and partially vacant commercial land in the Newberg UGB. Map 8 adds constraints.

Map 6. Employment Lands in the Newberg UGB

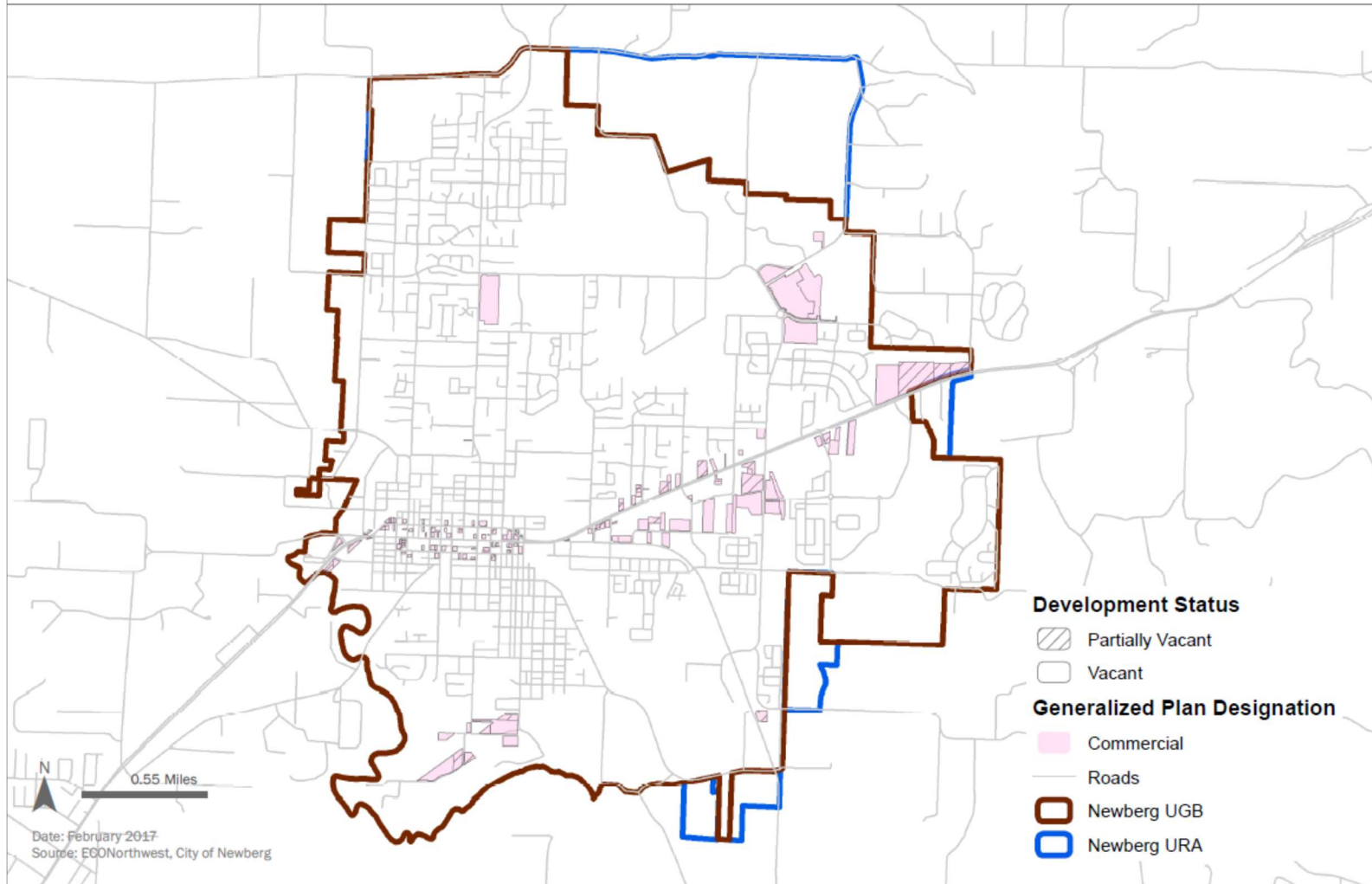




Map 7. Vacant and Partially Vacant Commercial Land, Newberg UGB

# NEWBERG BLI 2016

## Vacant and Partially Vacant Commercial Lands



Map 8. Vacant and Partially Vacant Commercial Land and Constraints, Newberg UGB

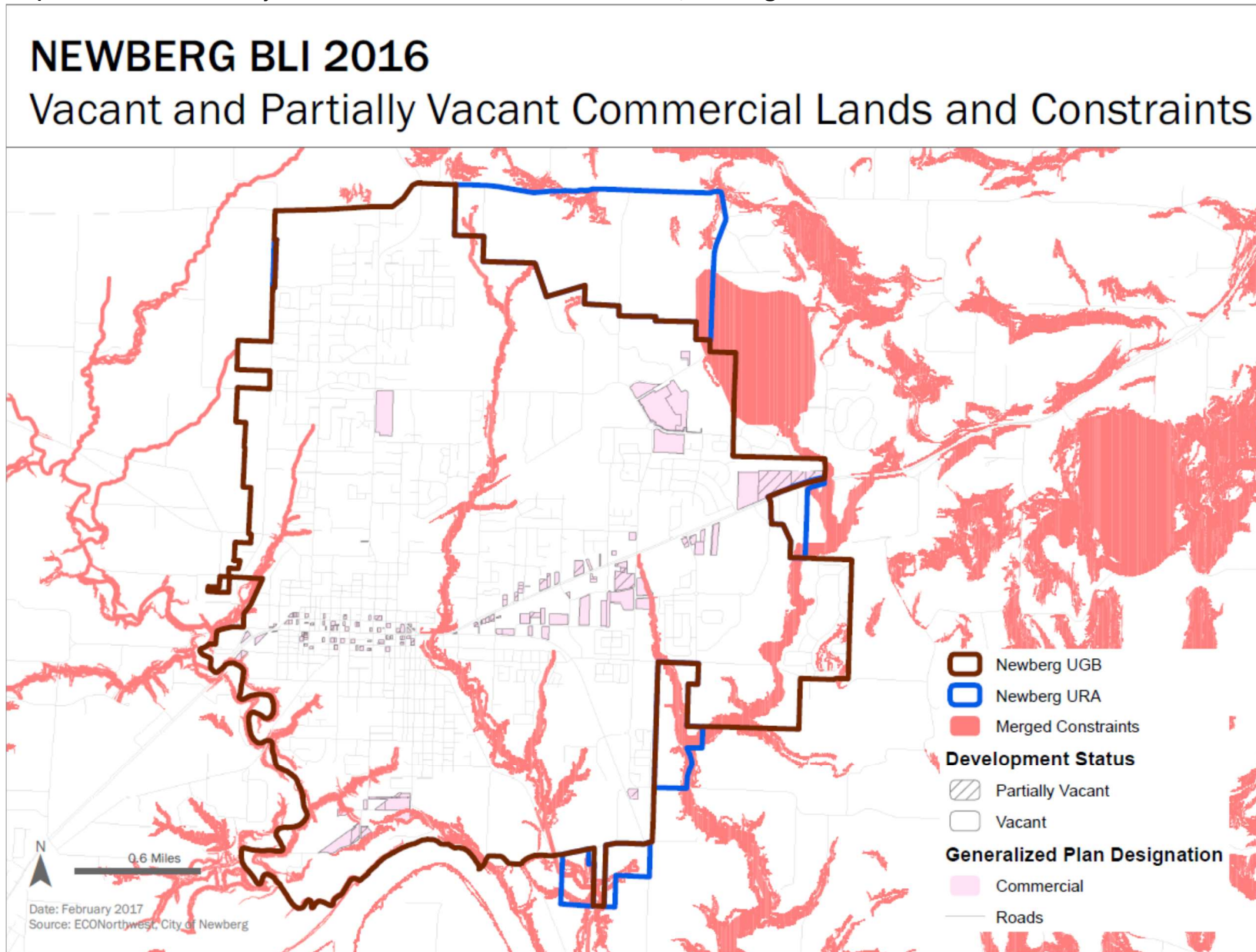


Table 8 shows industrial land in the Newberg UGB by development and constraint status. The results show that Newberg has 479 acres of industrial land. Of that land, 326 are developed, 64 constrained, and 89 vacant.

**Table 8. All Industrial Land by Development and Constraint Status, Newberg UGB, 2016**

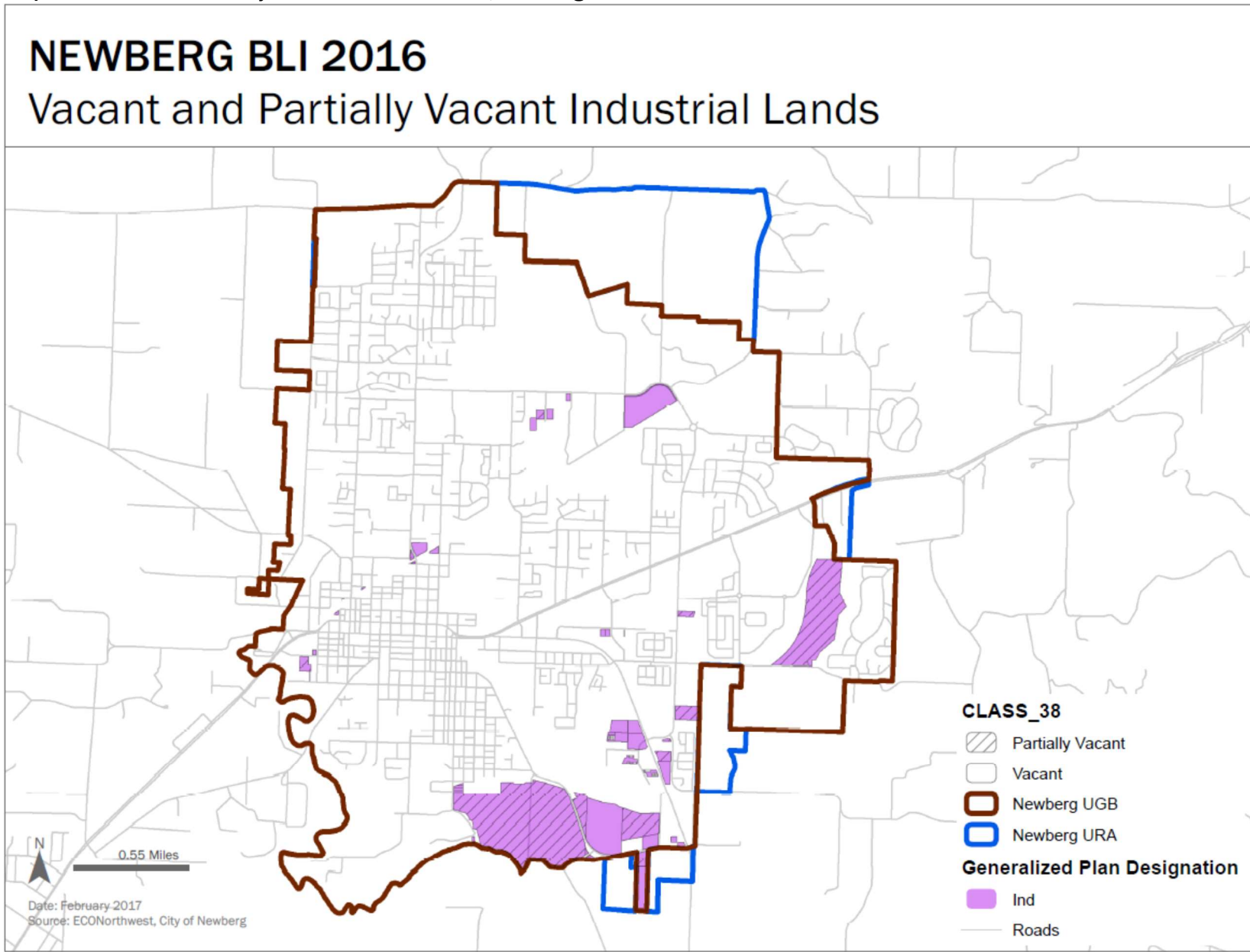
<b>Development Status</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Vacant Acres</b>
Developed	121	197	182	15	0
Partially Vacant	11	200	144	36	19
Vacant	44	82	0	13	70
<b>Total</b>	<b>176</b>	<b>479</b>	<b>326</b>	<b>64</b>	<b>89</b>

Source: Newberg and Yamhill County GIS data; analysis by ECONorthwest

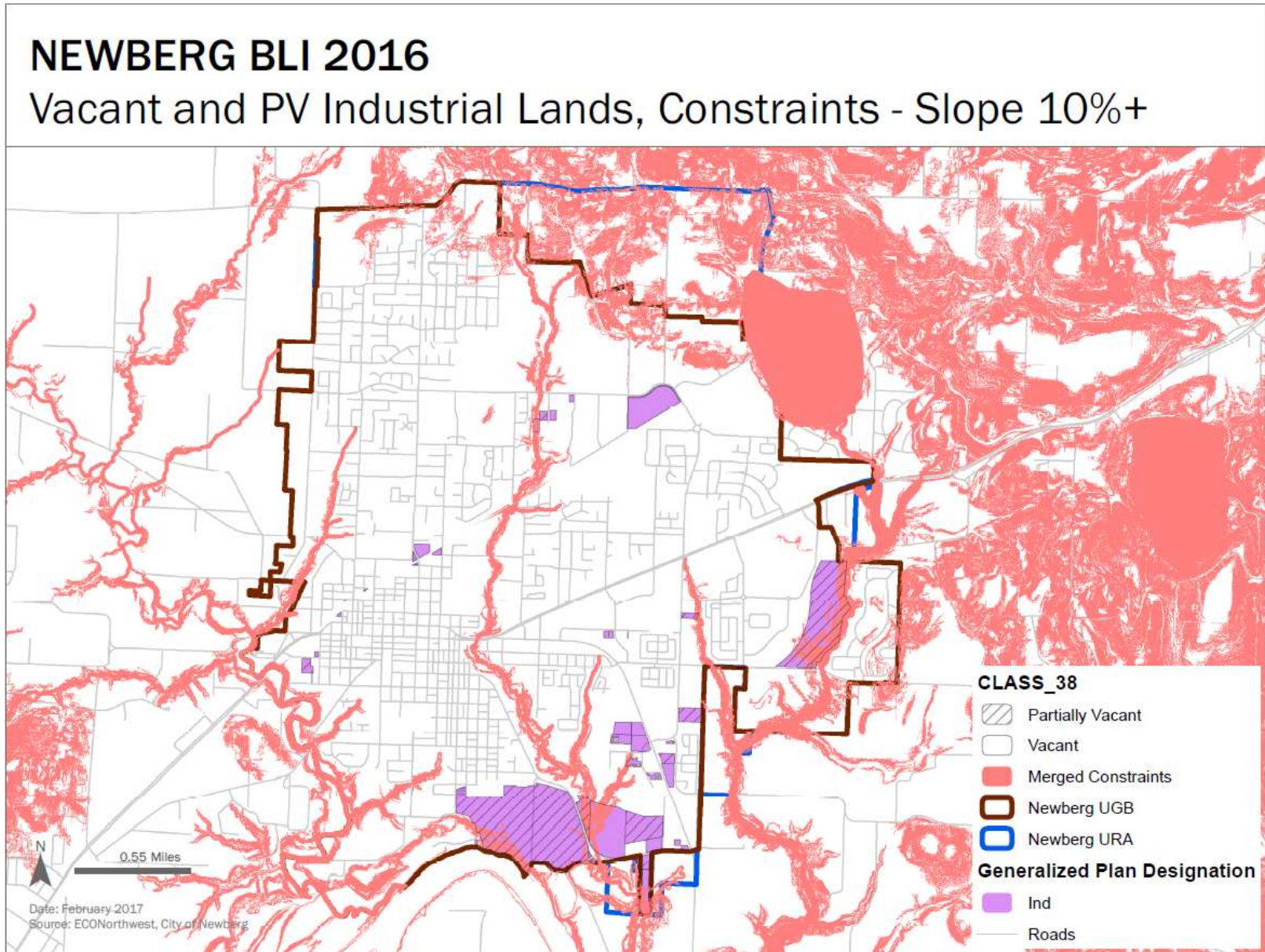
Map 9 shows vacant and partially vacant industrial land in the Newberg UGB. Map 10 adds constraints.

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Map 9. Vacant and Partially Vacant Industrial Land, Newberg UGB



Map 10. Vacant and Partially Vacant Commercial Land and Constraints, Newberg UGB



### 3.3 UGB Study Area

OAR 660-038-0160 provides detailed guidance on establishing the study area to evaluate land for inclusion in the UGB. The full text of the requirements is included in Appendix B. For this discussion, we focus on the applicable standards. The rule divides the study area determination into two phases: (1) the preliminary study area; and (2) the final study area. Appendix A describes the steps used to define the study area.

The City of Newberg has Urban Reserve Areas adopted under OAR 660-021. Under the ORS 197A.320 priority scheme, urban reserves and exceptions lands within the UGB study area are first priority for inclusion in the UGB.

Table 9 summarizes lands in Newberg’s URAs and the Division 38 study area. Newberg has a total of 527 acres in 122 tax lots. The average tax lot size in the URAs is 4.3 acres. Excluding the URAs, the Division 38 determined study area includes 10,109 acres in 1,697 tax lots. The average tax lot size in the UGB study area is 6.0 acres.

For the purpose of defining the study area, we included the entire area of any tax lot that was within or intersected the required 1.0 and 1.5 mile buffers. Analyzed by zoning, the study area includes 4,337 acres in 1,293 tax lots considered exceptions areas. The average tax lot size for exceptions lands within the UGB study area is 3.4 acres. The study area also includes 5,772 acres in 404 tax lots with resource zoning (e.g., exclusive farm or forest zones). Not surprisingly, the average size of tax lots with resource zoning was, at 14.3 acres, much larger than exceptions lands.

**Table 9. Summary of Lands in Newberg Urban Reserve Areas and Division 38 UGB Study Area**

Area	Tax Lots	Acres	Average Lot Size (ac)
<b>Urban Reserve</b>			
All land in taxlots	122	527	4.3
<b>UGB Study Area (outside URA)</b>			
All land in taxlots	1,697	10,109	6.0
Exceptions Areas	1293	4,337	3.4
Resource land	404	5,772	14.3

Map 11 shows the study area with a 25% slope and other constraints; Map 12 shows the study area with a 10% slope. The 10% slope is significant as Division 38 allows cities to assume that lands with contiguous areas over 10% slope in tax lots smaller than 5 acres.

We struggled with classifying lands outside the UGB. The rules for determining “suitability” of land in the UGB study area. The provisions are found in OAR 660-038-0179(5):

*With respect to section (1), a city must assume that vacant or partially vacant land in a particular priority category is “suitable” to satisfy a need deficiency identified in OAR 660-038-0080 or 660-038-0150, whichever is applicable, unless it demonstrates that the land cannot*

satisfy the need based on one or more of the conditions described in subsections (a) through (f) of this section:

(a) Existing parcelization, lot sizes or development patterns of rural residential land make that land unsuitable for an identified employment need, as follows:

(A) Parcelization: the land consists primarily of parcels 2-acres or less in size, or

(B) Existing development patterns: the land cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure.

(b) The land would qualify for exclusion from the preliminary study area under the factors in OAR 660-038-0160(2) but the city declined to exclude it pending more detailed analysis.

(c) The land is, or will be upon inclusion in the UGB, subject to natural resources protection under Statewide Planning Goals 5 such that that no development capacity should be forecast on that land to meet the land need deficiency.

(d) With respect to needed industrial uses only, the land is over 10 percent slope, as measured in the manner described in OAR 660-038-0160(5); is an existing lot or parcel that is smaller than 5 acres in size; or both.

(e) The land is subject to a conservation easement described in ORS 271.715 that prohibits urban development.

(f) The land is committed to a use described in this subsection and the use is unlikely to be discontinued during the planning period:

(A) Public park, church, school, or cemetery, or

(B) Land within the boundary of an airport designated for airport uses, but not including land designated or zoned for residential, commercial or industrial uses in an acknowledged comprehensive plan or land use regulations.

(6) For vacant or partially vacant lands added to the UGB to provide for residential uses:

(a) Existing lots or parcels one acre or less may be assumed to have a development capacity of one dwelling unit per lot or parcel. Existing lots or parcels greater than one acre but less than two acres shall be assumed to have an aggregate development capacity of two dwelling units per acre.

In short, the language focuses on suitability, but does not provide guidance for when a tax lot might be deemed developed or committed. In that sense, all land potentially has capacity. The rule allows consideration of parcelization as a suitability criteria. The direction is vague: *the land cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure*. To put some structure on this part of the analysis, we classified tax lots as follows:

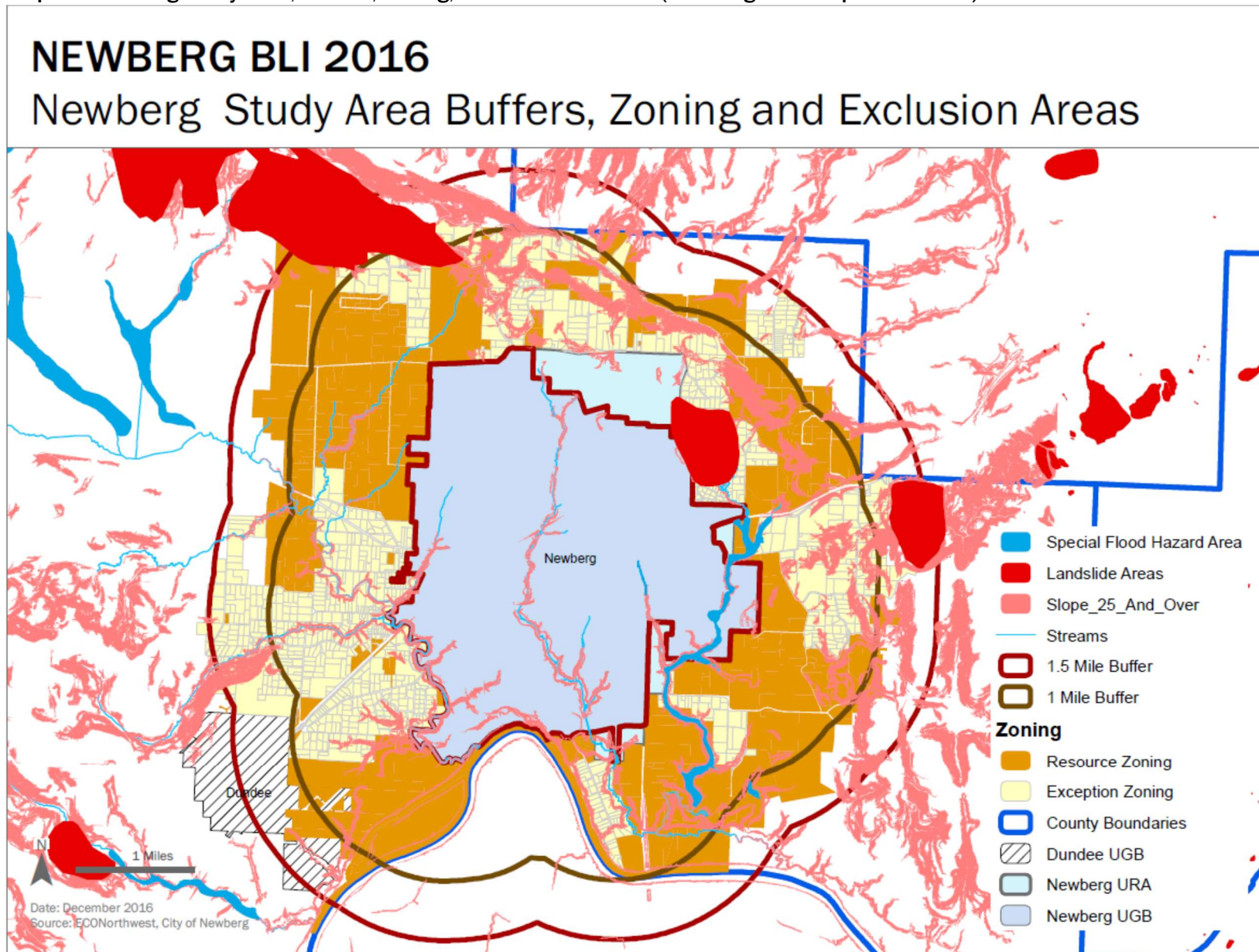
- Developed: tax lots less than 0.5 acre with existing single-family dwellings
- Partially Vacant - <2 Ac: tax lots between 0.5 and 1.99 acres with more than \$10,000 in improvement value.
- Partially Vacant -  $\geq$ 2 Ac: tax lots 2.0 acres and larger with more than \$10,000 in improvement value. We used aerial photo review to determine the vacant area of these tax lots.
- Vacant: tax lots of any size with <\$10,000 of improvement value.

These interpreted aspect of the rules rules were applied to both the URAs as well as the UGB study areas.

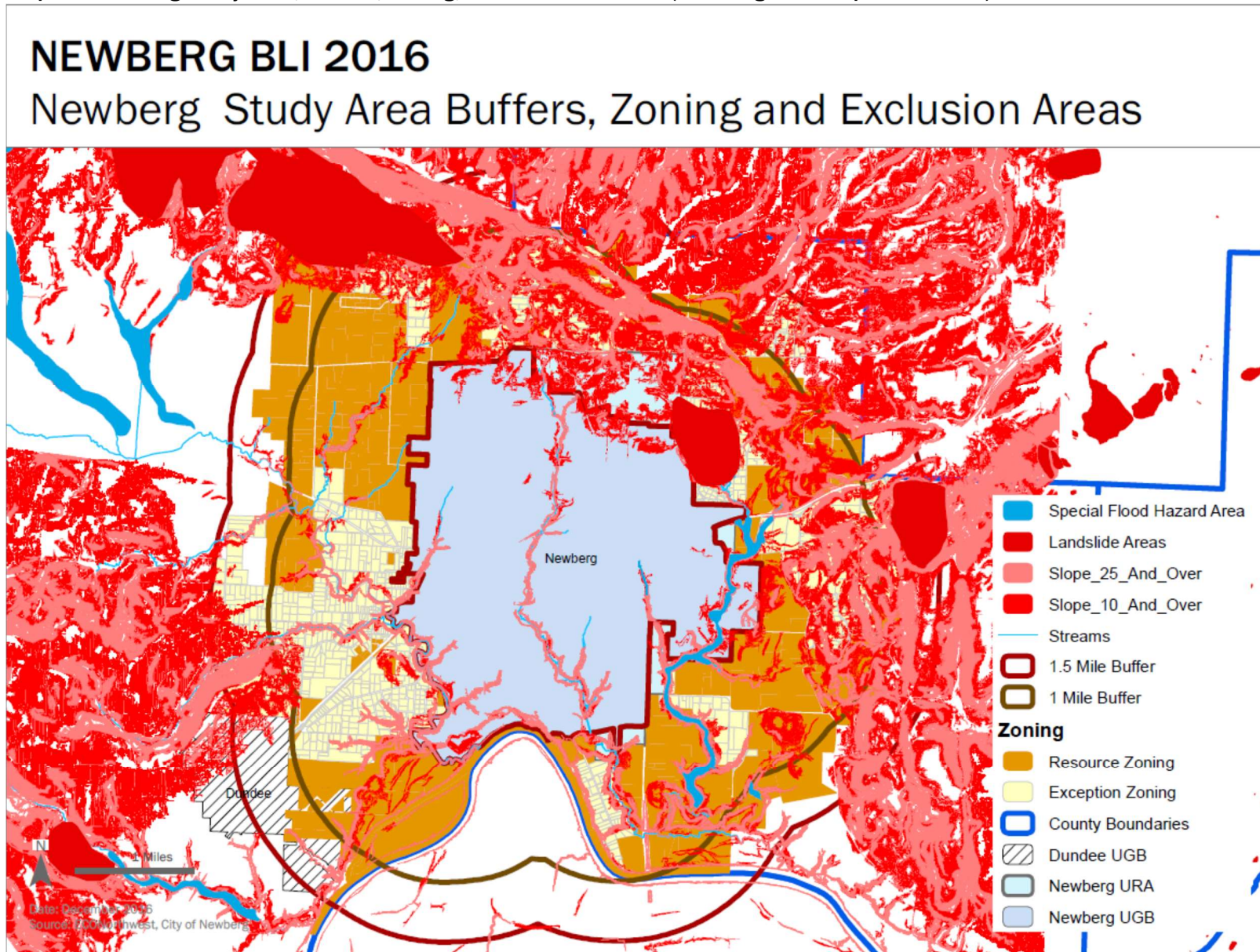
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Map 11. Newberg Study Area, Buffers, Zoning, and Exclusion Areas (including 25% Slope Constraint)



Map 12. Newberg Study Area, Buffers, Zoning, and Exclusion Areas (including 10% Slope Constraint)



## Urban Reserve Areas

Newberg established urban reserve areas as allowed by OAR 660-021. Prior to the 2016 revisions to ORS 197 and the establishment of the Division 38 rule, urban reserves were first priority lands for inclusion in a UGB. ORS 197A.320 changed the priority scheme to add exception lands as first priority.

Newberg has four urban reserve areas. The URAs include 527 acres in 111 tax lots. Table 10 shows tax lots in the URA by classification. The results show 461 buildable (suitable) acres within the URA (slopes <25%) and 272 acres with slopes <10%. Very little of the land in the URAs would be considered suitable for industrial uses. Map 13 shows the location of URAs and constraints.

**Table 10. Land by Classification in Newberg Urban Reserve Areas**

Classification	Tax Lots	Total Acres	Developed Acres	Constrained Acres	Suitable Acres	
					>25% slope	>10% slope
Developed	24	12	12	3	9	7
Partially Vacant - <2 Ac	49	386	25	39	347	200
Partially Vacant - >=2 Ac	6	8	4	2	6	5
Vacant	32	121	0	22	99	60
<b>Total</b>	<b>111</b>	<b>527</b>	<b>40</b>	<b>66</b>	<b>461</b>	<b>272</b>

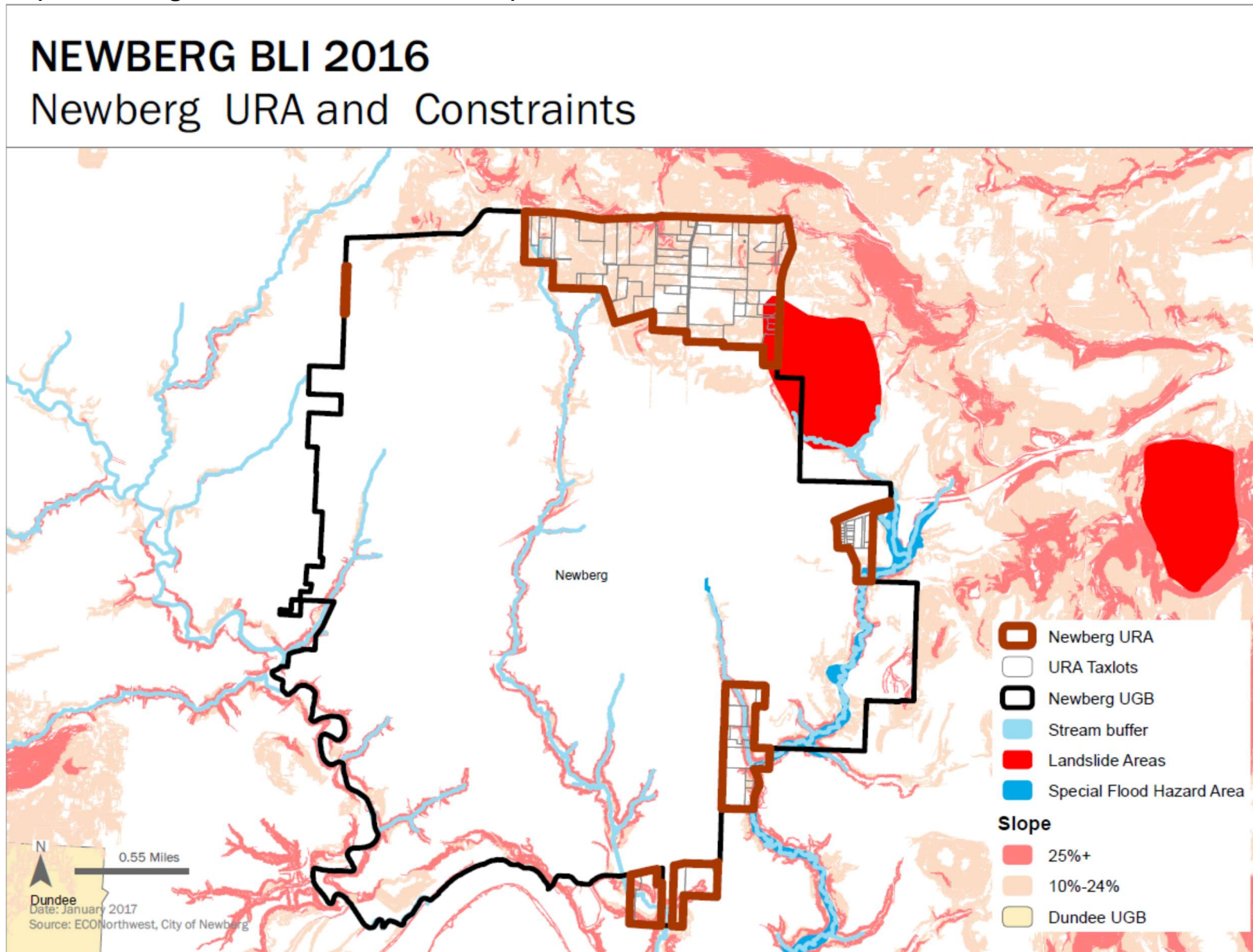
Table 11 shows tax lots by size and constraint status for the Newberg URAs. The results show that about 40% of the 342 buildable acres in URAs are in lots of 10 acres or larger. Based on conservative assumptions, we estimate capacity for about 1,600 new dwelling units in the URAs. This assumes an average of 6 dwellings per acre for lots over 2 acres and that all of the land would be designated for residential uses. These assumptions are included for demonstrative purposes—the City will need to conduct a more detailed evaluation of capacity based on actual land needs and potential plan designations.

**Table 11. Vacant and Partially Vacant Tax lots by Size and Constraint Status and Housing Capacity, Newberg URA (25% slope)**

Lot Size (Ac)	Tax Lots	Total Acres	Buildable Acres	DU	Est. Capacity
<=1	22	11	9	22	42
>1 and <2	6	8	76	6	12
>=2 and <5	20	69	60	20	360
>=5 and <10	19	144	64	19	383
>=10 and <20	6	85	127	6	761
>=20 and <50	2	64	6	2	38
<b>Total</b>	<b>75</b>	<b>381</b>	<b>342</b>	<b>75</b>	<b>1,597</b>

Note: Estimated capacity is for new dwelling units and assumes 1 new dwelling unit per lot for lots <=1 acre; 2 new dwelling units per lot for lots between 1 and 2 acres, and 6 dwelling units per lot for lots over 2 acres.

Map 13. Newberg Urban Reserve Areas and Development Constraints



## UGB Study Area (Outside Urban Reserves)

The UGB Study Area includes 10,109 acres in 1,697 tax lots. Table 12 shows tax lots by size and constraint status for the Newberg UGB Study Area. The results show that over 40% of the 9,860 buildable acres in URAs are in lots of 20 acres or larger. The majority of land in larger lots is in resource zones; 6% of land in exceptions zones is in lots of 20 acres or larger.

**Table 12. Vacant and Partially Vacant Tax lots by Size and Constraint Status and Housing Capacity, Newberg UGB Study Area (25% slope)**

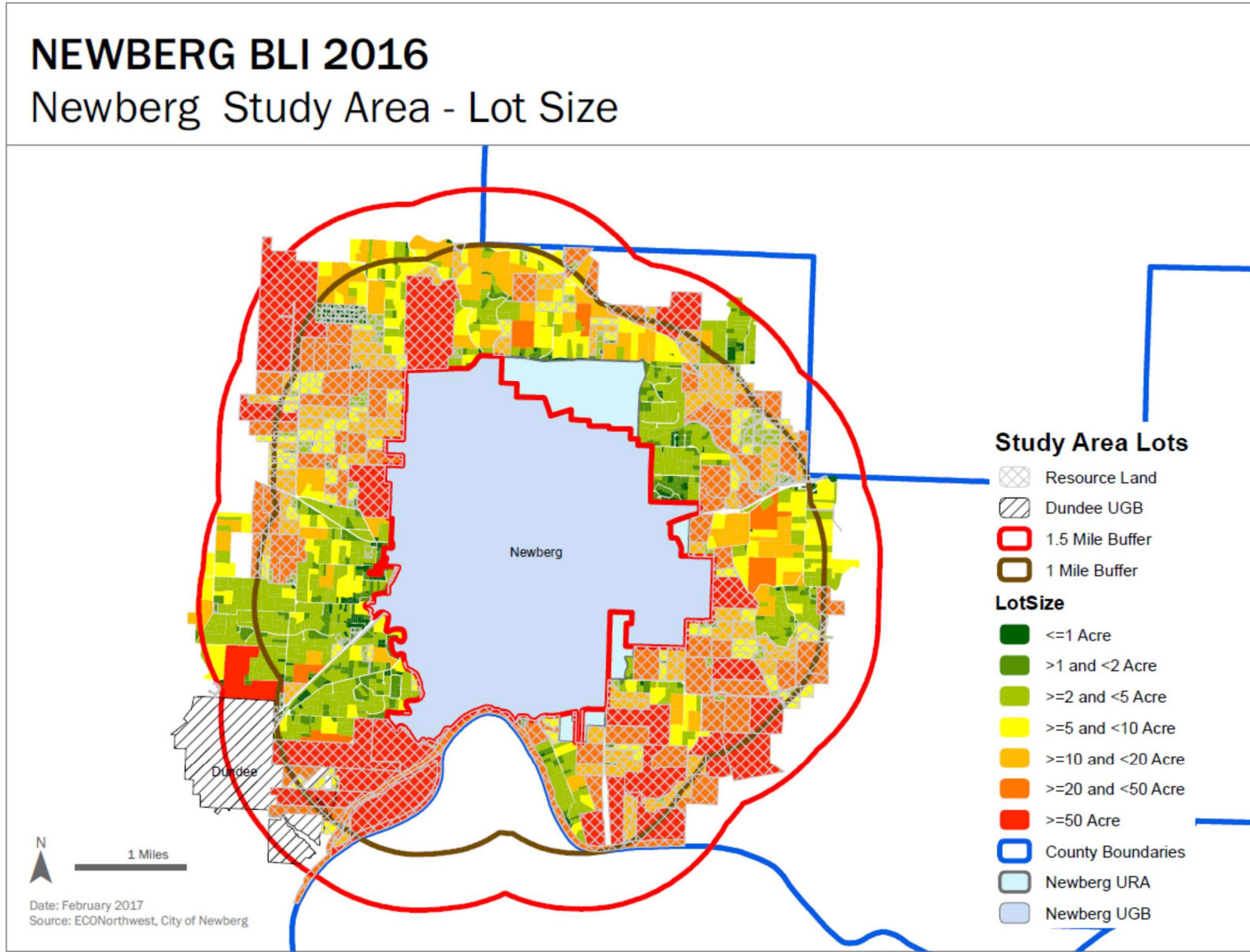
Lot Size (Ac)	Resource			Exceptions			Total		
	Tax Lots	Acres	% of Acres	Tax Lots	Acres	% of Acres	Tax Lots	Acres	% of Acres
<=1	89	41	1%	216	122	3%	305	164	2%
> 1 and <2	58	67	1%	250	368	9%	308	435	4%
>=2 and <5	121	206	4%	612	1,797	42%	733	2,003	20%
>=5 and <10	106	523	9%	138	968	22%	244	1,491	15%
>=10 and <20	124	955	17%	60	784	18%	184	1,738	18%
>=20 and <50	89	1,720	31%	6	178	4%	95	1,898	19%
>=50	29	2,024	37%	1	107	2%	30	2,131	22%
<b>Total</b>	<b>616</b>	<b>5,536</b>	<b>100%</b>	<b>1,283</b>	<b>4,325</b>	<b>100%</b>	<b>1,899</b>	<b>9,860</b>	<b>100%</b>

Table 13 shows tax lots in the UGB Study Area by classification. The results show 7,688 buildable (suitable) acres within the UGB Study Area (slopes <25%), and 5,691 suitable acres (slopes >10%). Nearly 2,800 acres are in priority 1 exceptions areas, with about 2,644 of those in partially vacant (e.g., rural residential lots with a dwelling) lots greater than 2 acres.

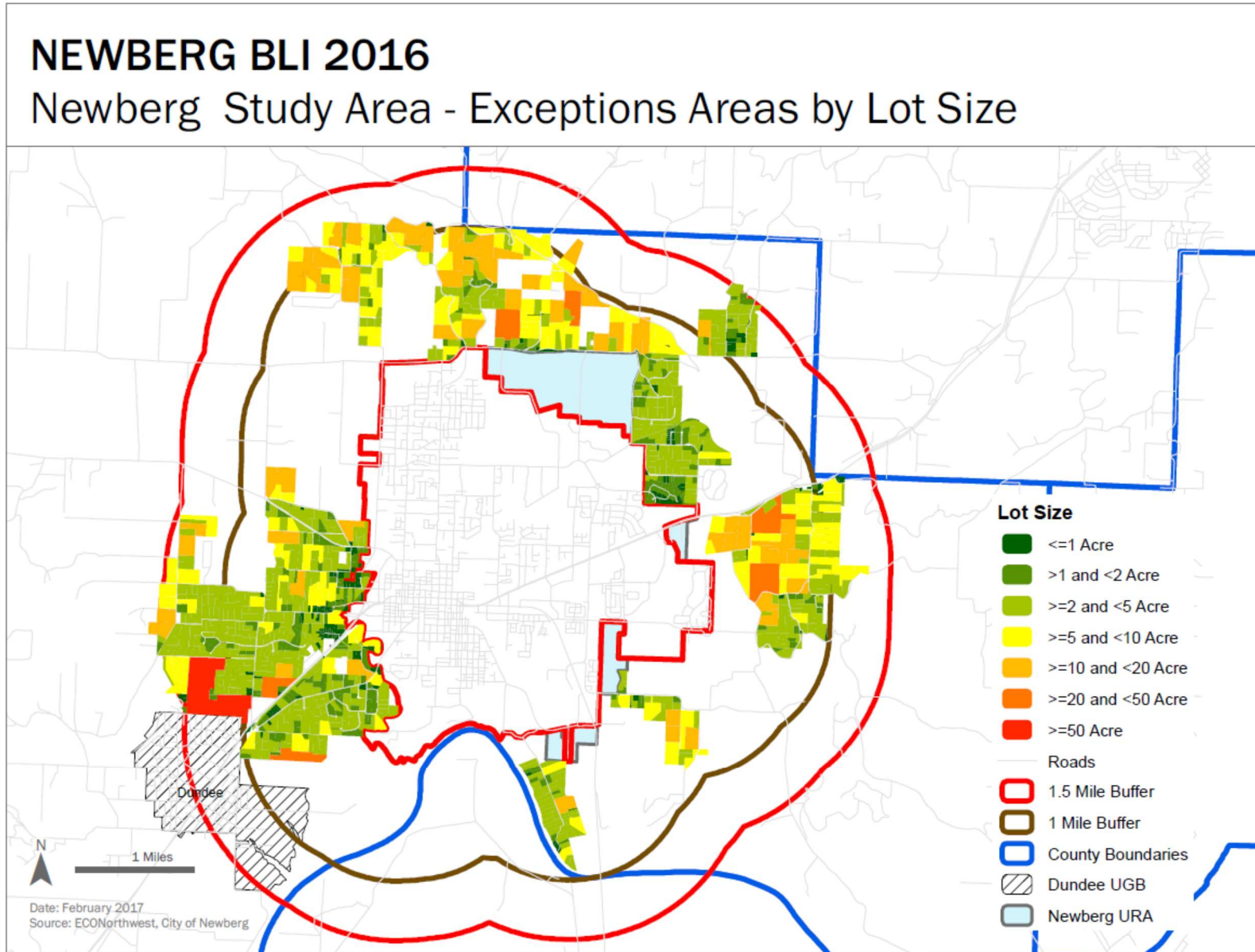
**Table 13.. Land by Classification in Newberg UGB Study Area**

Development Status	Tax Lots	Total Acres	Developed Acres	Slope 25% or over		Slope 10% or Over	
				Constrained Acres	Suitable Acres	Constrained Acres	Suitable Acres
<b>Resource Lands</b>							
Developed	21	9	7	2	0	2	0
Partially Vacant - <2 ac	16	27	8	2	17	5	14
Partially Vacant - >=2 ac	184	3,724	92	480	3,152	1,127	2,505
Vacant	183	2,012	0	284	1,728	546	1,466
<b>Subtotal</b>	<b>404</b>	<b>5,772</b>	<b>107</b>	<b>768</b>	<b>4,897</b>	<b>1,680</b>	<b>3,985</b>
<b>Exceptions Areas</b>							
Developed	145	93	82	11	0	20	-9
Partially Vacant - <2 ac	219	320	104	69	147	113	103
Partially Vacant - >=2 ac	727	3,342	338	788	2,215	1,669	1,335
Vacant	202	582	0	153	429	304	278
<b>Subtotal</b>	<b>1,293</b>	<b>4,337</b>	<b>525</b>	<b>1,021</b>	<b>2,791</b>	<b>2,106</b>	<b>1,706</b>
<b>TOTAL</b>	<b>1,697</b>	<b>10,109</b>	<b>632</b>	<b>1,789</b>	<b>7,688</b>	<b>3,786</b>	<b>5,691</b>

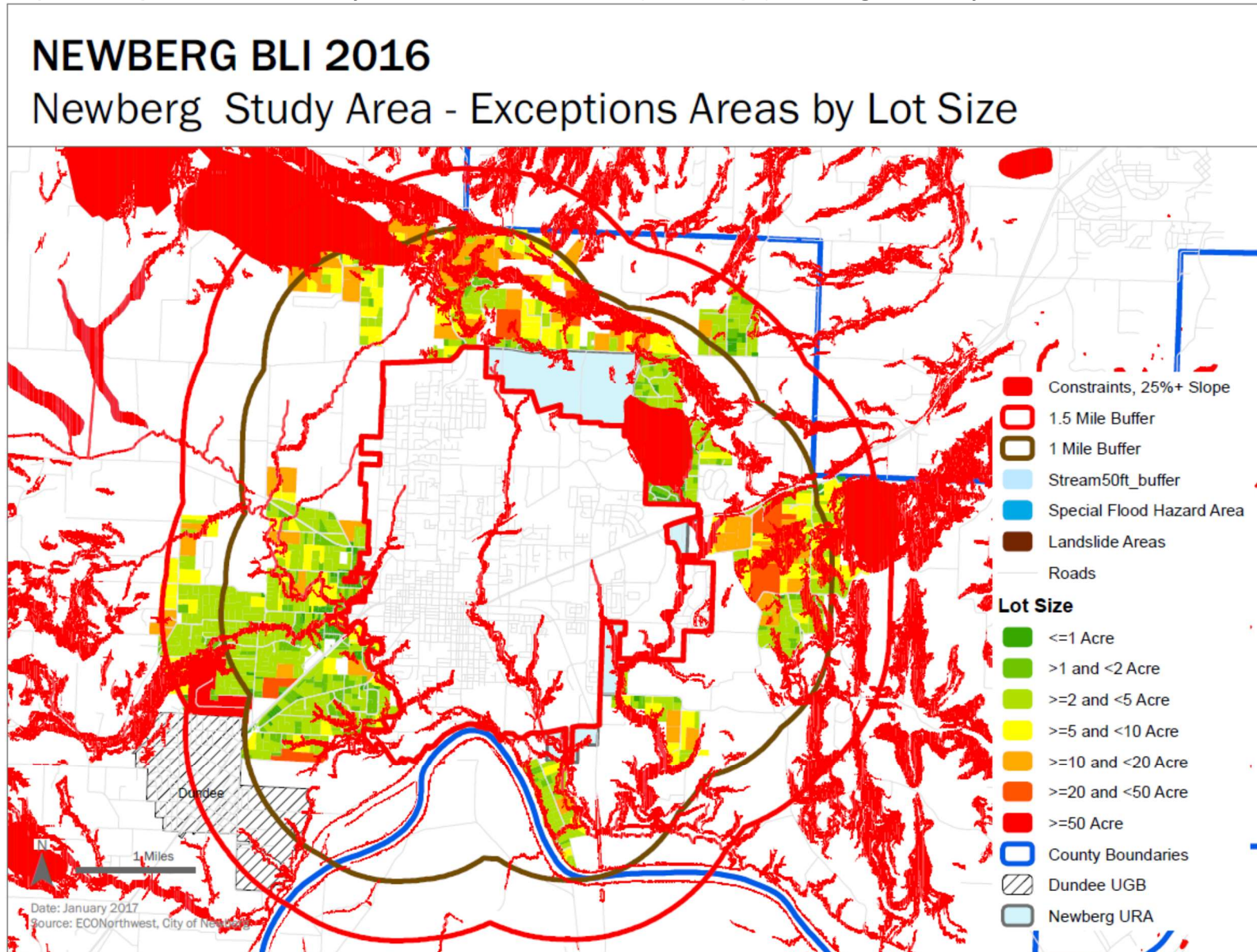
Map 14. Tax lots by Size, Newberg UGB Study Area



Map 15. Exceptions Area Tax lots by Size, Newberg UGB Study Area



Map 16. Exceptions Area Tax lots by Size and Constraint Status (25%+ Slope), Newberg UGB Study Area





## 4. Conclusions and Implications

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Newberg faces a key decision in the coming months: whether to pursue a boundary amendment using the Division 38 method, or use the traditional method. The issues with the traditional method are well known. Newberg’s last attempt at an expansion using the traditional method was appealed and ultimately withdrawn.

ECO does not make a recommendation about which method is most appropriate for the City of Newberg. That is a decision that the City Council will need to make with staff input. What we want to do is to inform that dialog. This chapter includes two sections: (1) issues with the Division 38 method; and (2) comparison of the Division 38 method with the standard method.

### 4.1 Issues with the Division 38 Methods

ECO identified a number of issues with the Division 38 method. To help the City—and DLCD—better understand those issues, and how they impact the BLI results, we summarize them here. This task was not in our work program, but we feel compelled to discuss the issues given their nature and extent. This discussion is not intended to be comprehensive—there may be other issues with the Division 38 method that we did not encounter since we only implemented the BLI portions of the rule. Thus, our comments focus on the following sections (note, we number them for reference; the order is not intended to imply precedence or priority):

1. **Standardization of Data Sources.** This is less a critique, than an observation and suggestion. For many data sources, several hosts and versions might be available (e.g., UGB data from the City or Oregon Explorer). It’s not always clear which is preferable or if the data are the most accurate data available. It took a fair amount of time to assemble the required databases, some of which may require expensive subscriptions or fees (part of the Newberg UGB study is in Washington County; Metro manages the data in the region and we used ECO’s subscription to RLIS for the Washington County data). As a suggestion, DLCD could generate and post approved data sets for many of the attributes required—particularly natural hazards.
2. **Split Plan Designations.** The rule does not address the issue of split plan designations. These are very common in cities and many are too big to be ignored. The topology of polygons in plan designation layers frequently does not conform to tax lot boundaries creating so-called “slivers.” These slivers are not true split designations; rather they are remnant from how the data were originally input. ECO sometimes uses complicated algorithms to evaluate split plan designations. For the purpose of the Newberg BLI, ECO and the Community Development Director reviewed maps and agreed on specific tax lots with split plan designations to split. Any lot with a split over two acres was evaluated; any lot with at least 0.5 acre in a split was split.
3. **Deduction of constraints.** In a typical BLI, we would merge all constraints together to create a single constraint layer. Those constraints would then be deducted from vacant and partially vacant areas. In this sense, all constraints are treated the same. This has

been found compliant with statewide planning goals, as many BLIs using these methods have been adopted and acknowledged.

Division 38 treats different constraints differently. Some constraints are allowed a 100% deduction; some a 50% deduction, and some, the extent of local policy. Moreover, industrial lands get a different threshold for slope (which is not inconsistent with methods used by ECO in the past) This makes sense in theory; in practice it greatly complicates the process of deducting constraints.

For example, constraints often share the same geography. It's not uncommon for a stream to have a floodway and floodplain that are accompanied by steep slopes and Goal 5 resources. Under the Division 38 rule, each of these interactions must be analyzed and accounted for individually. These are not simple operations to perform in GIS.

Finally, we find the ½ acre threshold on water bodies in OAR 660-038-0070 and 130 (1)(a)(B) odd. This also requires additional work, since the default assumption on a typical BLI is that waterbodies of all sizes, are not developable. This rule implies that waterbodies under ½ acre do not pose a constraint (e.g., that they can be filled and developed) without the understanding of requirement of other regulatory agencies to fill these water bodies.

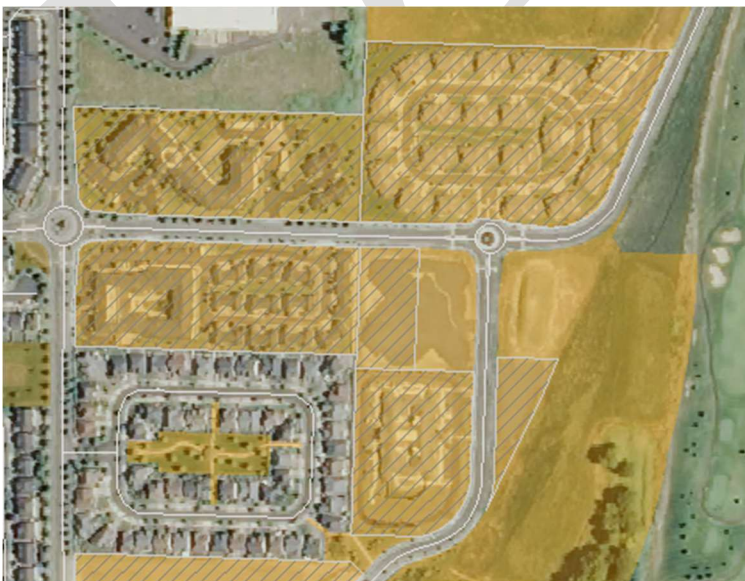
4. **Public lands with residential plan designations.** Generally, Division 38 does not require inventory of public lands. We note that some cities we've worked with do not have a public land designation. In those instances, Division 38 would require most lands to be inventoried as residential or commercial.

The rule makes provisions for publicly owned-park land that might meet the threshold of partially vacant (e.g., lots of ½ acre or larger), but not for other public uses. Newberg has schools and other public uses that total more than 70 acres (including Chehalem Valley Middle School) that clearly are not, and will not be available for development in the 14-year planning horizon.

5. **Developed employment land.** The rule does establish a clear threshold for employment lands to be considered developed or committed. The rule identifies thresholds for partially vacant that either require 50% of the land be classified as vacant (lots less than 1 acre) or that aerial photo review occur. Aerial photo interpretation is not particularly complicated, but it is time consuming.
6. **Partially vacant employment land.** OAR 660-038-0120(2)(b)(A) reads "*The real market improvement value of the lot or parcel is greater than five percent and less than 40 percent of the real market land value, in which case, the city must assume that 50 percent of the lot or parcel is developed and 50 percent is vacant.*" The example below shows two developments that meet this threshold. Both would be considered fully developed in a traditional BLI. One is a bank (on the right) and the other a Jiffy Lube (on the left). While this does not equate to a lot of land in Newberg, it forces an unreasonable assumption on the BLI.



7. **Determination of slopes using contour data.** GIS experts typically build slope thresholds from DEMs (digital elevation models) and not contours. The development of slope thresholds is an advanced GIS operation that we would not characterize as simple. This is an area where the state could provide a standardized data set for cities to use.
8. **Errors/anomalies in County Assessment data.** Consistent with previous experience with County Assessment data, we found many errors or anomalies (these “errors” do not affect the assessment of property, but also do not reflect the value of use). Key among them was developed tax lots with \$0 real market improvement values. Per the Division 38 rule, all residential land with improvement value less than \$10,000 and great than 3,000 SF is to be considered vacant. The image below shows several developments—assisted living facilities—that are among the highest residential valuations in Newberg, but have \$0 improvement value.



9. **Condo common areas.** The Yamhill County Assessor systematically assesses condo common areas as having \$0 improvement value. These areas are clearly not available for future development, nor do they have any residential capacity. The Division 38 rule requires they be considered vacant. The image below provides one example.



10. **Classification of lands in the UGB study area.** We found this portion of the rule convoluted and difficult to interpret. The rule uses vague criteria for determining whether land in the UGB study area is vacant, partially vacant, or developed—in fact there are no criteria, only criteria for exclusions that address various reasons for exclusion. In our view, thresholds exist where no development potential exists. The rule incorporates thresholds from the UO research of 1 and 2 acres. The rule, however, is more stringent than the OAR 660-024 safe harbor that allows cities to identify tax lots in UGBs that are less than ½ acre with a dwelling as developed (OAR 660-024-0050(2)(b)). It’s not clear why a similar standard would not apply to rural residential development. We developed a classification system based on development status and lot size to summarize the results. It is not clear, however, whether that system would pass legal muster given that the rule does not provide any guidance.

To summarize, **the simplified BLI method is not simple.** In our initial comments about the Division 38 rule, we indicated that there is no way to make a GIS-based inventory simple. We understand the rationale for a GIS based method. However, as described above, parts of the Division 38 method are more complicated than a typical standard method. Moreover, in most instances, the rule requires assumptions that increase the amount of land assumed available for development.

## 4.2 Comparison of Division 38 Results with a Traditional BLI

To our knowledge, Newberg is the first city to implement a BLI using the Division 38 methods, and this is the first document to report on the results. While it was outside of our scope of work for this project, as we got deeper into the analysis, we were curious about what differences, if any, would emerge between the Division 38 methods and a traditional BLI.

ECO used methods consistent with the many other acknowledged BLIs we have completed for Oregon cities. Those methods are summarized in many documents; we do not repeat them here.<sup>1</sup>

Table 14 shows a comparison of land by classification using the Division 38 methods and the standard methods. The results show significant differences. As one would expect, the total number of tax lots and acres is the same for both methods—the build from the same land base. Major differences emerge in the classifications. For reasons explained in the previous section the Division 38 method results in many more tax lots being classified as vacant or partially vacant. The overall result is a 386-acre difference in buildable lands.

**Table 14. All Land by Classification, Division 38 Method and Standard Method, Newberg UGB**

Classification	Tax Lots	Total Acres	Developed Acres	Constrained Acres	Buildable Acres
<b>Division 38 Method</b>					
Developed	6,275	1,362	1,323	40	0
Partially Vacant	389	1,047	300	139	608
Vacant	487	654	0	75	579
Public	215	688	617	71	0
<b>Total</b>	<b>7,366</b>	<b>3,751</b>	<b>2,240</b>	<b>324</b>	<b>1,187</b>
<b>Standard Method</b>					
Developed	6,569	1,860	1,768	92	0
Partially Vacant	169	515	85	72	358
Vacant	277	492	3	47	443
Public	351	884	770	113	0
<b>Total</b>	<b>7,366</b>	<b>3,751</b>	<b>2,626</b>	<b>324</b>	<b>801</b>
<b>Difference</b>					
Developed	-294	-498	-446	-52	0
Partially Vacant	220	532	216	66	250
Vacant	210	162	-3	28	136
Public	-136	-196	-153	-42	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>-386</b>	<b>0</b>	<b>386</b>

<sup>1</sup> See <http://www.corvallisoregon.gov/index.aspx?page=2021> for methods used in the Corvallis BLI.

Table 15 shows a more detailed comparison by plan designation. Following is a comparison by broad land use categories:

- **Residential.** The Division 38 method identifies 952 buildable acres; the Standard Method identifies 625 acres. In a 2009 residential BLI, the City concluded it had 771 vacant unconstrained acres in residential plan designations. Assuming that study was accurate, one would assume that the land supply would decrease over time. Differences exist across all categories, but the biggest difference (203 acres) is in the MDR category. Based on reviewing the data in detail, this is due to several reasons – developments that have no improved value and condo/homeowner association common areas are two key reasons.
- **Commercial.** The two methods result in a 20-acre difference in vacant commercial land. The Division 38 method yields 146 acres, while the standard method yielded 126. One key difference here is the Division 38 requirement that all lots that have improvement to land value ratios of between 0.05 and 0.40 and are less than one acre be considered 50% vacant. The City’s 2013 EOA concluded the City had 120 vacant commercial acres. The differences probably lie in how the studies addressed partially vacant lands.
- **Industrial.** The Division 38 method identifies 89 vacant industrial acres; the Standard Method 50. The City’s 2013 EOA identified 60 vacant industrial acres.

### 4.3 Summary

Clear differences exist between the Division 38 and standard methods. Given some of the issues with land classification, it is difficult for ECO to recommend the City use this methodology moving forward. We identified far too much residential land that would normally be considered developed that the Division 38 rules require the City to consider as vacant. Moreover, we do not see any flexibility in interpreting the Division 38 rules. While we are not attorneys, a common-sense reading of the rule suggests a literal interpretation of its provisions. In short, the rule does not accommodate exceptions.

**Table 15. Vacant and Partially Vacant Land by Generalized Plan Designation, Comparison of Division 38 Method and Standard Method, Newberg UGB**

<b>Generalized Plan Designation</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Buildable Acres</b>
<b>Division 38 Method</b>					
<b>Residential</b>					
LDR	349	728	80	82	565
MDR	264	423	42	70	311
HDR	52	94	9	8	76
Subtotal	665	1,244	132	160	952
<b>Employment</b>					
Commercial	155	164	13	5	146
Industrial	55	282	144	49	89
Subtotal	210	446	157	54	235
<b>Total</b>	<b>875</b>	<b>1,690</b>	<b>289</b>	<b>214</b>	<b>1,187</b>
<b>Standard Method</b>					
<b>Residential</b>					
LDR	280	644	66	72	506
MDR	77	149	7	34	108
HDR	11	15	3	1	12
Subtotal	368	809	76	107	625
<b>Employment</b>					
Commercial	48	140	6	8	126
Industrial	30	58	5	4	50
Subtotal	78	198	11	12	176
<b>Total</b>	<b>446</b>	<b>1,007</b>	<b>87</b>	<b>119</b>	<b>801</b>
<b>Difference</b>					
<b>Residential</b>					
LDR	69	83	14	10	59
MDR	187	273	35	35	203
HDR	41	78	7	7	64
Subtotal	297	435	55	53	327
<b>Employment</b>					
Commercial	107	24	7	-3	20
Industrial	25	224	139	45	39
Subtotal	132	247	146	42	59
<b>Total</b>	<b>429</b>	<b>683</b>	<b>202</b>	<b>95</b>	<b>386</b>

# Appendix A: Data Sources and Study Area Determination

ECO conducted a buildable land inventory (BLI) consistent with the requirements of OAR 660-038. The first step in the inventory was to obtain the necessary GIS data (Exhibit A-1). The data came from several sources—the City of Newberg; the Metro RLIS database; Yamhill County; and the Oregon Geospatial Data Center.

**Exhibit A-1. Data Sources for Newberg BLI**

Data	Source	Description
Tax lots – Yamhill	Yamhill County Assessor, provided by City of Newberg	Tax lot fabric for entire county. Fabric includes roads.
Tax lots – Washington	Metro RLIS – ECO subscription	Tax lots
Tax lots - Marion	Marion County GIS	Tax lots
City Boundaries	City	Includes city limit, UGB and urban reserve areas
UGB	Oregon Spatial Explorer	2015 UGBs
Counties	Oregon Spatial Explorer	2015 County boundaries
Streets	City of Newberg	City / county roads
Streams	City of Newberg	Perennial streams
Zoning	Yamhill County; Metro RLIS (Washington); Marion County GIS	Zoning outside incorporated city boundaries
Landslide areas	DOGAMI SLIDO 3.2 database	DOGAMI mapped landslide areas
Special Flood Area	Oregon Spatial Explorer – statewide FEMA FIRM database	Areas of special flood hazard
Building Footprint	City of Newberg	Building footprints for land inside the Newberg UGB

## Study Area Determination

The first step in the inventory process is to determine the study area. The study area for Newberg includes all land within the Newberg urban growth boundary (UGB) as well as lands outside the UGB.



## Land within the Newberg UGB

As required by OAR 660-038, the inventory will include all land within the current Newberg UGB. From a practical perspective, this means that all lands within tax lots identified by the Yamhill County Assessor that fall within the UGB (as shown by the GIS data) will be inventoried. The tax lot database ECO received from the City is current as of August 2016. The inventory then builds from the tax lot-level database to estimates of buildable land by plan designation.

## UGB Study Area

OAR 660-038-0160 provides detailed guidance on establishing the study area to evaluate land for inclusion in the UGB. The full text of the requirements is included in Appendix A. For this discussion, we focus on the applicable standards. The rule divides the study area determination into two phases: (1) the preliminary study area; and (2) the final study area. OAR 660-038-0160(1) defines the requirements for the preliminary study area. Items underlined apply to Newberg.

*(1) The city shall determine which land to add to the UGB by evaluating alternative locations within a “study area” established pursuant to this rule. To establish the study area, the city must first identify a “preliminary study area” which shall not include land within a different UGB or the corporate limits of a city within a different UGB. The preliminary study area shall include:*

*(a) All lands in the city’s acknowledged urban reserve, if any;*

*(b) All lands that are within the following distance from the acknowledged UGB, except as provided in subsection (d):*

*(A) For cities with a UGB population less than 10,000: one-half mile;*

*(B) For cities with a UGB population equal to or greater than 10,000: one mile;*

*(c) All exception areas contiguous to an exception area that includes land within the distance specified in subsection (b) and that are within the following distance from the acknowledged UGB:*

*(A) For cities with a UGB population less than 10,000: one mile;*

*(B) For cities with a UGB population equal to or greater than 10,000: one and one-half miles;*

*(d) At the discretion of the city, the preliminary study area may include land that is beyond the distance specified in subsections (b) and (c).*

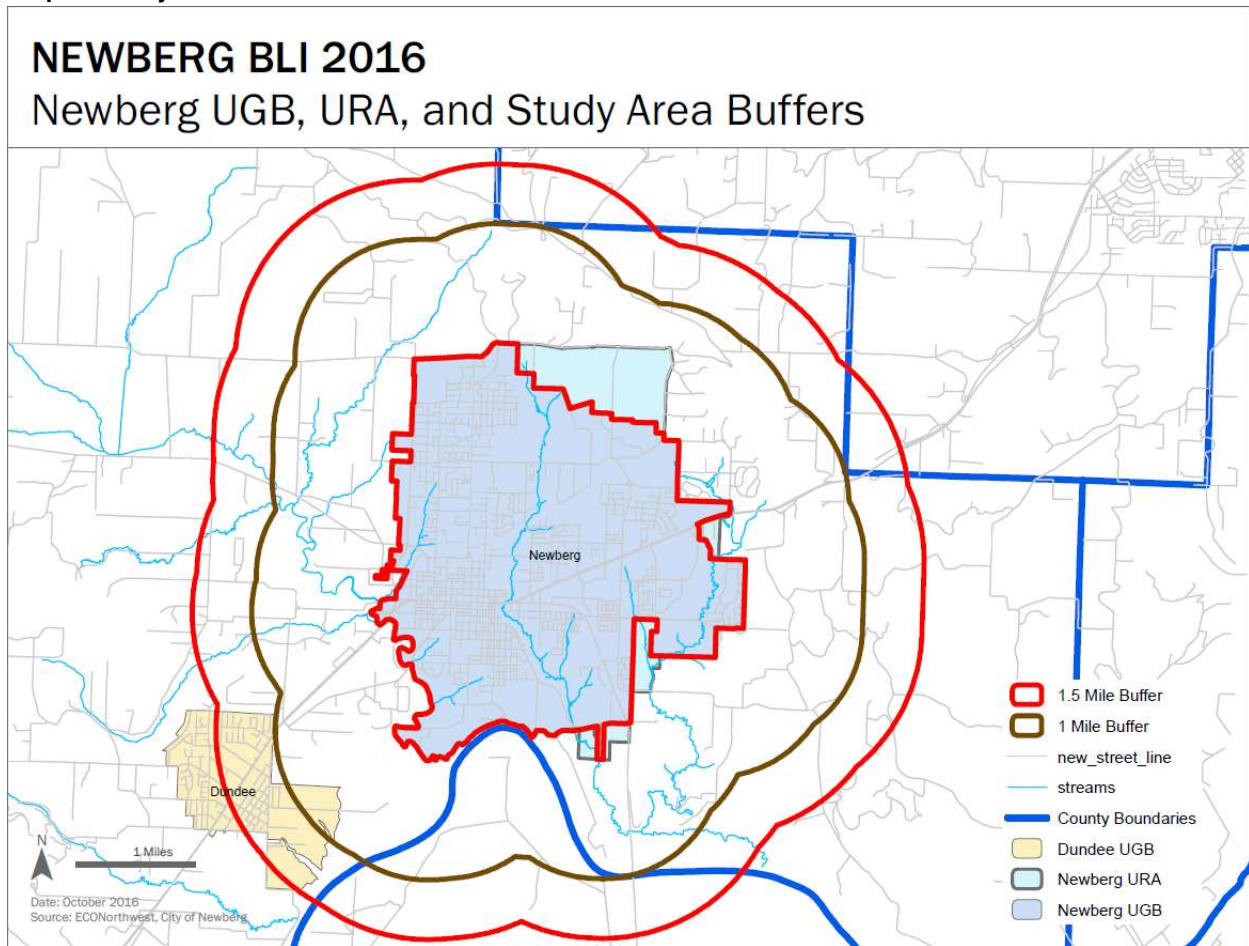
According to the Population Research Center at Portland State University, Newberg’s 2015 population was 22,900. Thus, the provisions for cities with populations over 10,000 apply to Newberg.

Based on OAR 660-038-0160(1), Newberg must include the following areas within the UGB study area:

- Established urban reserve areas (URAs). Newberg has 551 total acres in acknowledged URAs
- All lands within one mile of the UGB (and not in a UGB).
- Exceptions areas within 1.5 miles of the UGB that are contiguous to land within the one-mile buffer.

Map 1 shows the study area boundaries based on these requirements.

**Map 1. Study Area Buffers**



*(2) The city may exclude land from the preliminary study area if it determines that any of the conditions in this section apply to the land:*

*(a) Based on the standards in section (5) of this rule, it is impracticable to provide necessary public facilities or services to the land;*

*(b) The land is subject to significant development hazards, due to a risk of:*

*(A) Landslides: The land consists of a landslide deposit or scarp flank that is described and mapped on the Statewide Landslide Information Database for Oregon (SLIDO) Release 3.2 Geodatabase published by the Oregon Department of Geology*

*and Mineral Industries (DOGAMI) December 2014, provided that the deposit or scarp flank in the data source is mapped at a scale of 1:40,000 or finer. If the owner of a lot or parcel provides the city with a site-specific analysis by a certified engineering geologist demonstrating that development of the property would not be subject to significant landslide risk, the city may not exclude the lot or parcel under this paragraph;*

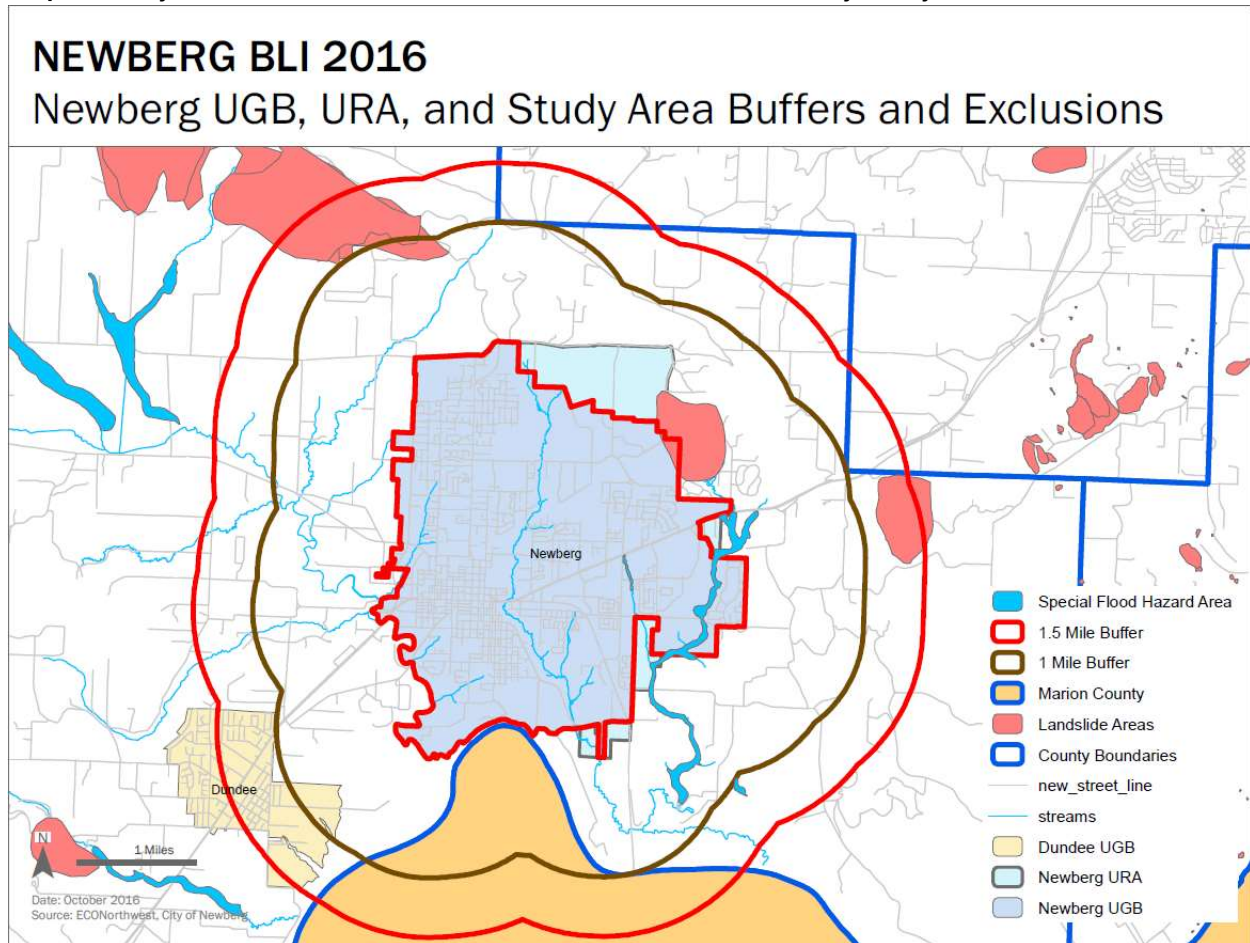
*(B) Flooding, including inundation during storm surges: the land is within the Special Flood Hazard Area (SFHA) identified on the applicable Flood Insurance Rate Map (FIRM);*

This section has several other provisions that are either not applicable to Newberg or which the City has chosen not to apply. Based on these provisions, the City removed the following areas from further consideration:

- **Areas in Marion County.** The Willamette River is the boundary between Yamhill and Marion County. A portion of the Newberg UGB is adjacent to the river. Moreover, areas within the one- and 1.5-mile buffers fall within Marion County. The City finds that it is impracticable to provide necessary public services to these areas as described in OAR 660-038-0160(7)(b).
- **Landslide areas.** Several areas within the one- and 1.5-mile buffer are identified in DOGAMI's SLIDO 3.2 database. These were removed from further consideration pursuant to OAR 660-038-0160(2)(b)(A).
- **Flood areas.** Several areas within the one- and 1.5-mile buffer are identified in the Special Flood Hazard Area by FEMA. These were removed from further consideration pursuant to OAR 660-038-0160(2)(b)(B).
- **Dundee UGB.** Areas within the Dundee UGB are removed from further consideration.

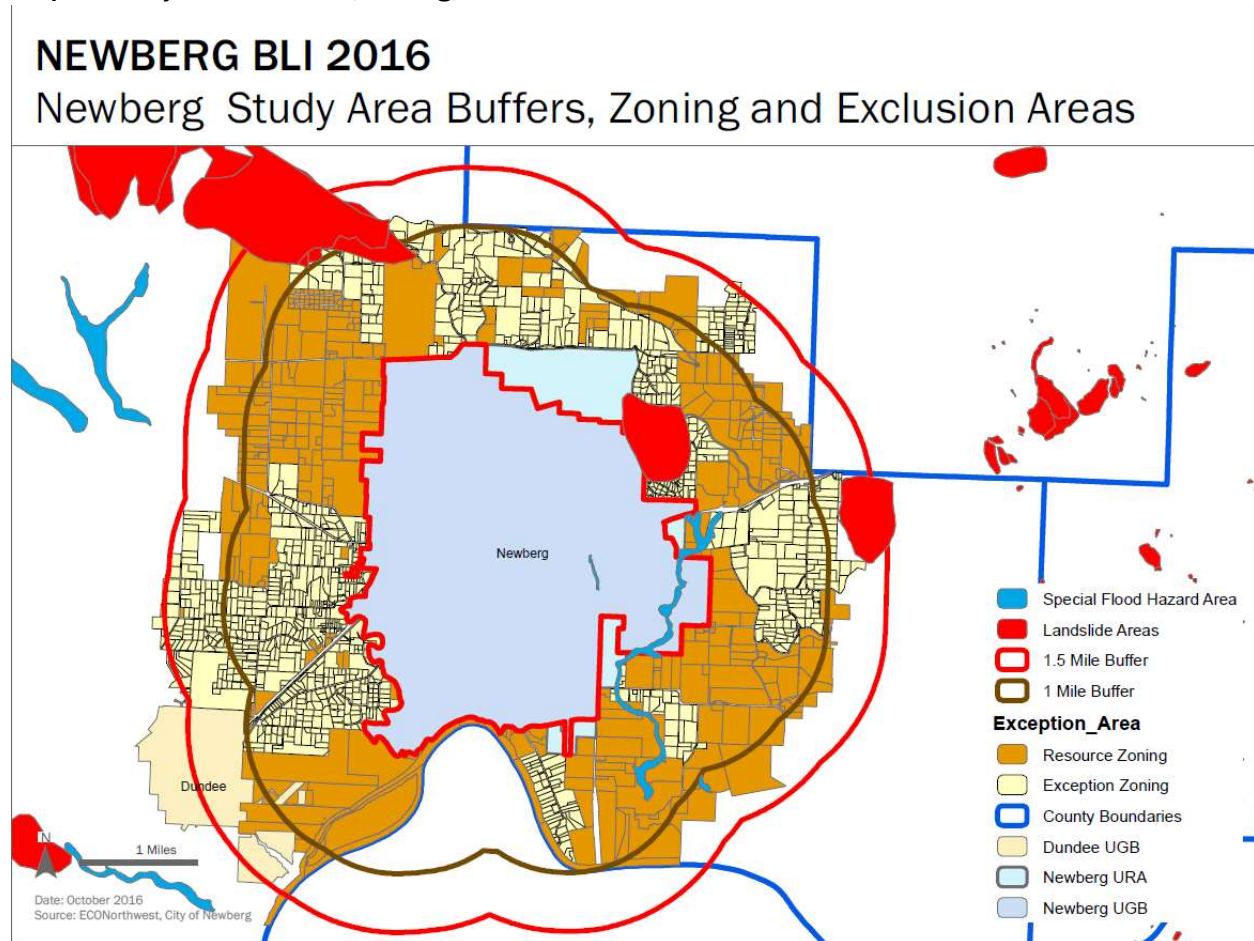
Map 2 shows areas excluded from the preliminary study area.

Map 2. Study Area Buffers and Areas Excluded from the Preliminary Study Area



The final step in defining the study area is to identify exception areas in the area between the one and 1.5-mile buffer that are contiguous to exception areas within the one-mile buffer. Map 4 shows tax lots included in the preliminary study area. Note that the full area of lots that intersect the one- and 1.5-mile buffers were included. The City does not anticipate splitting tax lots based on the buffers.

#### Map 4. Study Area Tax Lots, Zoning, and Exclusions



We note that additional lands could be excluded from the inventory based on the provisions of subsections 3-5. Because it is not clear what the City's land need is at this point, it is not particularly efficient to review 10,000 acres for all of these deductions. A more prudent approach would be to narrow down lands outside the UGB into study areas and conduct more detailed analysis of those areas.

*(3) After excluding land from the preliminary study area under section (2), the city must adjust the study area, if necessary, so that it includes an amount of land that is at least twice the amount of land needed to satisfy the combined need deficiency determined under OAR 660-038-0080 and 660-038-0150. Such adjustment shall be made by expanding the applicable distance specified under section (1) and applying section (2) to the expanded area.*

*(4) For purposes of evaluating the priority of land under OAR 660-038-0170, the "study area" shall consist of all land that remains in the preliminary study area described in section (1) of this rule after adjustments to the area based on sections (2) and (3).*

*(5) For purposes of subsection (2)(a), the city may consider it impracticable to provide necessary public facilities or services to the following lands:*

*(a) Contiguous areas of at least five acres where 75 percent or more of the land has a slope of 25 percent or greater; provided that contiguous areas 20 acres or more that are less than 25 percent slope may not be excluded under this subsection. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;*

*(b) Lands requiring the construction of a new freeway interchange, overpass, underpass, or similar improvement to accommodate planned urban development providing such improvement is not currently identified in the Statewide Transportation Improvement Program (STIP) for construction within the planning period;*

*(c) Land that is isolated from existing service networks by physical, topographic, or other impediments to service provision such that it is impracticable to provide necessary facilities or services to the land within the planning period. The city's determination shall be based on an evaluation of:*

*(A) The likely amount of development that could occur on the land within the planning period;*

*(B) The likely cost of facilities and services; and,*

*(C) Any substantial evidence collected by or presented to the city regarding how similarly situated land in the region has, or has not, developed over time.*

*(d) As used in this section, "impediments to service provision" may include but are not limited to:*

*(A) Major rivers or other water bodies that would require new bridge crossings to serve planned urban development;*

*(B) Topographic features such as canyons or ridges with slopes exceeding 40 percent and vertical relief of greater than 80 feet;*

*(C) Freeways, rail lines, or other restricted access corridors that would require new grade separated crossings to serve planned urban development;*

*(D) Significant scenic, natural, cultural or recreational resources on an acknowledged plan inventory and subject protection measures under the plan or implementing regulations, or on a published state or federal inventory, that would prohibit or substantially impede the placement or construction of necessary public facilities and services.*

*(6) Land may not be excluded from the preliminary study area based on a finding of impracticability that is primarily a result of existing development patterns. However, a city may forecast development capacity for such land as provided in OAR 660-038-0170(1)(d).*

# Appendix B: Division 38 Guidelines for Buildable Land Inventories

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The Division 38 Simplified Urban Growth Boundary Methods rule (OAR 660-038) was adopted by the Land Conservation and Development Commission in January 2016 after a year-long rulemaking process. We include the sections that directly pertain to buildable land inventories here for reference. A complete copy of the rule is available on the Oregon Secretary of State website: [http://arcweb.sos.state.or.us/pages/rules/oars\\_600/oar\\_660/660\\_038.html](http://arcweb.sos.state.or.us/pages/rules/oars_600/oar_660/660_038.html).

## 660-038-0010 - Definitions

The definitions in ORS 197.015, the statewide planning goals, and the following definitions apply to this division:

- (1) “Buildable lands” means land in urban or urbanizable areas that are suitable for urban uses, as provided in ORS 197A.300(1). Note: This definition applies to this division only; a different definition of “buildable lands” is provided in laws and rules concerning needed housing (ORS 197.295; OAR 660-007-0005 and 660-008-0005 and OAR 660-024-0010).
- (2) “Commercial” and “commercial use” mean office, retail, institutional and public employment land uses described by the North American Industry Classification System (NAICS) Categories 44, 45, 51, 52, 53, 54, 55, 56, 61, 62, 71, 72, 81, 92, and 99. These are land uses that generally do not require significant space for indoor or outdoor production or logistics.
- (3) “Industrial” and “industrial use” mean employment activities including, but not limited to, manufacturing, assembly, fabrication, processing, storage, logistics, warehousing, importation, distribution and transshipment, and research and development, that generate income from the production, handling or distribution of goods or services, including goods or services in the traded sector, as defined in ORS 285A.010. “Industrial use” means NAICS Categories 11, 21, 22, 23, 31, 32, 33, 42, 48, and 49. These are land uses that generally require significant space for indoor or outdoor production or logistics.
- (4) “Initiate” means that the local government issues a public notice specified in OAR 660-018-0020, including a notice to the Department of Land Conservation and Development, for a proposed plan amendment that concerns evaluating or amending a UGB.
- (5) “Nonresource land” has the meaning specified in OAR 660-004-0005(3).
- (6) “Range” means a range of numbers specified in rules in this division (see ORS 197A.325(2)(a)). A city may choose to use the number at either end of a stated range or any number between. Ranges allow a city to make choices regarding its future growth.

(7) “Serviceable” means, with respect to land supply in a UGB, and as described in OAR 660-038-0200, that:

(a) Adequate sewer, water and transportation capacity for planned urban development is available or can be either provided or made subject to committed financing; or

(b) Committed financing can be in place to provide adequate sewer, water and transportation capacity for planned urban development.

(8) “UGB” means “urban growth boundary.”

(9) “Urbanizable land” means land inside a UGB that, due to the present unavailability of urban facilities and services, or for other reasons, either retains the zone designations assigned prior to inclusion in the UGB or is subject to interim zone designations intended to maintain the land’s potential for planned urban development until appropriate public facilities and services are available or planned.

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

#### **660-038-0060 - Buildable Lands Inventory (BLI) for Residential Land within the UGB**

A city must determine the supply and development capacity of lands within its UGB by conducting a buildable lands inventory (BLI) as provided in this rule.

(1) For purposes of the BLI, the city shall classify the existing residential comprehensive plan and zoning designations within its UGB based on allowed density. The classification shall be based on either:

(a) The allowed density and housing types on the comprehensive plan map; or

(b) If the comprehensive plan map does not differentiate residential districts by density or type of housing, the applicable city or county zoning map, as follows:

(A) For cities with a UGB population less than 2,500, districts shall be classified as follows:

(i) Districts with a maximum density less than or equal to eight dwelling units per acre: low density residential. A city may classify a district as low density residential despite a maximum density of greater than eight dwelling units per acre if the majority of existing residences within the district are single-family detached and if the city has a medium density residential district as determined by subparagraph (ii);

(ii) Districts with a maximum density greater than eight dwelling units per acre: medium density residential.

(B) For cities with UGB populations greater than or equal to 2,500, districts shall be classified as follows:



(i) Districts with a **maximum density less than or equal to eight dwelling units per acre: low density residential**. A city may classify a district as low density residential despite a maximum density of greater than eight dwelling units per acre if the majority of existing residences within the district are single-family detached and the city has a medium density residential district as determined by subparagraph (ii);

(ii) Districts with a **maximum density greater than eight dwelling units per acre and less than or equal to 16 dwelling units per acre: medium density residential**, unless the district has been classified as low density residential pursuant to subparagraph (i). A city may classify a district as medium density residential despite a maximum density of greater than 16 dwelling units per acre if the majority of development within the district is developed at densities of between eight and 16 dwelling units per net acre and the city has a high density residential district as determined by subparagraph (iii);

(iii) Districts with a **maximum density greater than 16 dwelling units per acre: high density residential**, unless the district has been classified as medium density residential pursuant to subparagraph (ii);

(iv) A city may not classify as low density a district that allows higher residential densities than a district the city has classified as medium density. A city may not classify as medium density a district that allows higher residential densities than a district the city has classified as high density.

(2) The city must identify all vacant lots and parcels with a residential comprehensive plan designation. A city shall assume that a lot or parcel is **vacant if it is at least 3,000 square feet with a real market improvement value of less than \$10,000**.

(3) The city must identify all partially vacant lots and parcels with a residential comprehensive plan designation, as follows:

(a) For lots and **parcels at least one-half acre in size that contain a single-family residence, the city must subtract one-quarter acre for the residence**, and count the remainder of the lot or parcel as vacant land, and

(b) For lots and parcels at least **one-half acre in size that contain more than one single-family residence, multiple-family residences, non-residential uses, or ancillary uses such as parking areas and recreational facilities, the city must identify vacant areas using an orthophoto or other map of comparable geometric accuracy**. For the purposes of this identification, **all publicly owned park land shall be considered developed**. If the vacant area is at least one-quarter acre, the city shall consider that portion of the lot or parcel to be vacant land.

(4) The city must determine the amount and mapped location of low density, medium density, and high density vacant and partially vacant land in residential plan or zone districts within the city's UGB.

(5) The city must, within the city limits,

(a) Identify all lots and parcels within a residential district that are developed;

(b) Identify all portions of partially vacant lots and parcels within a residential district that are developed with residential uses;

- (c) Calculate the total area of land identified in (a) and (b);
- (d) Calculate the total number of existing dwelling units located on the land identified in (a) and (b); and
- (e) Calculate the net density of residential development on the land identified in (a) and (b).

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

#### **660-038-0070 - Adjust Residential Lands Inventory to Account for Constrained Lands**

A city must adjust the inventory of residential lands prepared under OAR 660-038-0060 to account for constrained lands using this rule.

(1) The city must identify the following physical constraints on land inventoried as vacant or partially vacant under OAR 660-038-0060:

(a) Floodways and water bodies. For the purpose of this subsection, “water bodies” includes;

(A) Rivers; and

(B) Lakes, ponds, sloughs, and coastal waters at least one-half acre in size.

(b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;

(c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;

(d) Contiguous lands of at least one acre with slopes greater than 25 percent. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;

(e) Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and

(f) Lands subject to development prohibitions, natural resource protections, or both in acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 15, 16, 17, or 18.

(2) For lands identified in section (1), the city may reduce the estimated residential development capacity by the following factors in terms of acreage:

(a) For lands within floodways and water bodies: a 100 percent reduction.

(b) For other lands within Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map: a 100 percent reduction.

(c) For lands within the tsunami inundation zone: no reduction unless the acknowledged comprehensive plan or land use regulations applicable to such areas prohibits or reduces residential development, in which case the reduction shall be based upon the maximum density allowed by the acknowledged comprehensive plan or land use regulation.

(d) For lands with slopes that are greater than 25 percent: a 100 percent reduction. However, if the lot or parcel includes land with slopes less than 25 percent, the reduction applies only to the land with slopes greater than 25 percent. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;

(e) For lands subject to development restrictions in an acknowledged comprehensive plan or land use regulations developed pursuant to Statewide Planning Goals 5, 6, or 7: a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

(f) For lands subject to development prohibitions, natural resource protections, or both, in an acknowledged comprehensive plan or land use regulations that implements Statewide Planning Goals 15, 16, 17 or 18: a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

(3) The residential BLI amount for each type of needed housing for a city is the amount of buildable land for that needed housing type determined in OAR 660-038-0060 reduced by the constraints as determined in this rule.

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

### **660-038-0120 - Inventory of Buildable Employment Land within the UGB**

A city must determine the supply and development capacity of employment lands within its UGB at the time of initiation by conducting a buildable lands inventory (BLI) for employment land as provided in this rule and OAR 660-038-00130.

(1) For purposes of the employment BLI, the city shall classify the existing employment zoning districts and plan map districts within its UGB as either “commercial” or “industrial” based on the applicable definitions in OAR 660-038-0010. Districts that allow both commercial and industrial uses as per the definition must be classified as one or the other, based on the intent of the plan and with consideration of whether the predominant NAICS categories allowed by the district are characteristic of a commercial or industrial use.

(2) The city must identify all lots and parcels in the UGB with either a commercial or industrial designation on the comprehensive plan map or zoning district, determine which lots or parcels are vacant, partially vacant, or developed and calculate the total area of such land, as follows:

(a) A city may assume that a lot or parcel is **vacant if the real market improvement value is less than \$5,000 or if the real market improvement value is less than or equal to 5 percent of the real market land value.**

(b) A city may assume that a lot or parcel is partially vacant if either:

(A) The real market improvement value of the lot or parcel is greater than **five percent and less than 40 percent of the real market land value, in which case, the city must assume that 50 percent of the lot or parcel is developed and 50 percent is vacant, or**

(B) Based on an orthomap, the lot or parcel is greater than **one acre in size and at least one-half acre is not improved.**

(c) A city may assume that a lot or parcel is **developed if the real market improvement value is greater than or equal to 40 percent of the real market land value.**

(3) The city must use the results of section (2) to determine the current density of employment land within the UGB under OAR 660-038-0140(4) and (5).

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

#### **660-038-0130**

##### **Adjust Employment Buildable Land Inventory to Account for Constrained Lands**

A city must adjust the employment buildable lands inventory determined under OAR 660-038-0120 to account for constrained lands using this rule.

(1) The city must identify the following physical constraints on employment land inventoried under OAR 660-038-0120:

(a) Floodways and water bodies. For the purpose of this subsection, “water bodies” includes:

(A) Rivers; and

(B) Lakes, ponds, sloughs, and coastal waters at least one-half acre in size;

(b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;

(c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;

(d) Contiguous lands planned and zoned for **commercial use of at least one acre with slopes that are greater than 25 percent.** For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;

(e) Contiguous lands planned and zoned for **industrial use of at least one acre with slopes that are greater than 10 percent.** For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;

(f) Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and

(f) Lands subject to development prohibitions, natural resource protections, or both, in an acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goals 15, 16, 17, or 18.

(2) For lands identified in section (1), the city may reduce the estimated development capacity by the following factors in terms of acreage:

(a) For lands within floodways and water bodies: a 100 percent reduction.

(b) For other lands within the Special Flood Hazard Area (SFHA) as identified on the applicable Flood Insurance Rate Map (FIRM), either (at the city's option):

(A) A 50 percent reduction, or

(B) A reduction to the levels required by the acknowledged comprehensive plan or land use regulations.

(c) For lands within the tsunami inundation zone: no reduction unless the acknowledged comprehensive plan or land use regulations applicable to such areas prohibits or reduces allowed development, in which case the reduction shall be based upon the maximum density allowed by the acknowledged comprehensive plan or land use regulations.

(d) For lands designated for commercial use, contiguous lands of at least one acre with slope greater than 25 percent: a 100 percent reduction, provided that if such land includes slopes less than 25 percent, the reduction applies only to those areas with slopes greater than 25 percent. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;

(e) For lands designated for industrial use, contiguous lands of at least one acre with slope greater than 10 percent: a 100 percent reduction, provided that a lot or parcel with slopes greater than 10 percent that has at least five contiguous acres with slopes less than 10 percent, this authorized reduction does not apply to those areas.

(f) For lands subject to restrictions in density or location of development in an acknowledged comprehensive plan or land use regulations developed pursuant to Statewide Planning Goals 5, 6, or 7: a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

(g) For lands subject to development prohibitions, natural resource protections, or both, in an acknowledged comprehensive plan or land use regulations that implements Statewide Planning Goals 15, 16, 17, or 18: a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

(3) The amount of buildable land in the UGB designated for commercial and industrial uses is that amount determined in OAR 660-038-0120 reduced by the constraints determined under section (2) of this rule.

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

### **660-038-0160 - Establishment of Study Area to Evaluate Land for Inclusion in the UGB**

Cities shall comply with this rule and OAR 660-038-0170 when determining which lands to include within the UGB in response to a deficit of land to meet long-term needs determined under OAR 660-038-0080, 660-038-0150, or both.

(1) The city shall determine which land to add to the UGB by evaluating alternative locations within a “study area” established pursuant to this rule. To establish the study area, the city must first identify a **“preliminary study area”** which **shall not include land within a different UGB** or the corporate limits of a city within a different UGB. The preliminary study area shall include:

(a) All lands in the city’s acknowledged urban reserve, if any;

(b) All lands that are within the following distance from the acknowledged UGB, except as provided in subsection (d):

(A) For cities with a UGB population less than 10,000: one-half mile;

(B) For cities with a UGB population equal to or greater than 10,000: one mile;

(c) All exception areas contiguous to an exception area that includes land within the distance specified in subsection (b) and that are within the following distance from the acknowledged UGB:

(A) For cities with a UGB population less than 10,000: one mile;

(B) For cities with a UGB population equal to or greater than 10,000: one and one-half miles;

(d) At the discretion of the city, the preliminary study area may include land that is beyond the distance specified in subsections (b) and (c).

(2) The city may exclude land from the preliminary study area if it determines that any of the conditions in this section apply to the land:

(a) Based on the standards in section (5) of this rule, it is impracticable to provide necessary public facilities or services to the land;

(b) The land is subject to significant development hazards, due to a risk of:

(A) Landslides: The land consists of a landslide deposit or scarp flank that is described and mapped on the Statewide Landslide Information Database for Oregon (SLIDO) Release 3.2 Geodatabase published by the Oregon Department of Geology and Mineral Industries (DOGAMI) December 2014, provided that the deposit or scarp flank in the data source is mapped at a scale of 1:40,000 or finer. If the owner of a lot or parcel provides the city with a site-specific analysis by a certified engineering geologist

demonstrating that development of the property would not be subject to significant landslide risk, the city may not exclude the lot or parcel under this paragraph;

(B) Flooding, including inundation during storm surges: the land is within the Special Flood Hazard Area (SFHA) identified on the applicable Flood Insurance Rate Map (FIRM);

(C) Tsunamis: the land is within a tsunami inundation zone established pursuant to ORS 455.446.

(c) The land consists of a significant scenic, natural, cultural or recreational resource described in this subsection:

(A) Land that is designated in an acknowledged comprehensive plan prior to initiation of the UGB amendment, or that is mapped on a published state or federal inventory at a scale sufficient to determine its location for purposes of this rule, as:

(i) Critical or essential habitat for a species listed by a state or federal agency as threatened or endangered;

(ii) Core habitat for Greater Sage Grouse; or

(iii) Migration corridors or big game winter range, except where located on lands designated as urban reserves or exception areas;

(B) Federal Wild and Scenic Rivers and State Scenic Waterways, including Related Adjacent Lands described by ORS 390.805, as mapped by the applicable state or federal agency responsible for that scenic program;

(C) Designated Natural Areas on the Oregon State Register of Natural Heritage Resources;

(D) Wellhead protection areas described under OAR 660-023-0140 and delineated on a local comprehensive plan;

(E) Aquatic areas subject to Statewide Planning Goal 16 that are in a Natural or Conservation management unit designated in an acknowledged comprehensive plan;

(F) Lands subject to acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goal 17, Coastal Shoreland, Use Requirement 1;

(G) Lands subject to acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goal 18, Implementation Requirement 2.

(d) The land is owned by the federal government and managed primarily for rural uses.

(3) After excluding land from the preliminary study area under section (2), the city must adjust the study area, if necessary, so that it includes an amount of land that is at least twice the amount of land needed to satisfy the combined need deficiency determined under OAR 660-038-0080 and 660-038-0150. Such adjustment shall be made by expanding the applicable distance specified under section (1) and applying section (2) to the expanded area.

(4) For purposes of evaluating the priority of land under OAR 660-038-0170, the “study area” shall consist of all land that remains in the preliminary study area described in section (1) of this rule after adjustments to the area based on sections (2) and (3).

(5) For purposes of subsection (2)(a), the city may consider it impracticable to provide necessary public facilities or services to the following lands:

(a) Contiguous areas of at least five acres where 75 percent or more of the land has a slope of 25 percent or greater; provided that contiguous areas 20 acres or more that are less than 25 percent slope may not be excluded under this subsection. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;

**(b) Lands requiring the construction of a new freeway interchange, overpass, underpass, or similar improvement to accommodate planned urban development providing such improvement is not currently identified in the Statewide Transportation Improvement Program (STIP) for construction within the planning period;**

(c) Land that is isolated from existing service networks by physical, topographic, or other impediments to service provision such that it is impracticable to provide necessary facilities or services to the land within the planning period. The city’s determination shall be based on an evaluation of:

(A) The likely amount of development that could occur on the land within the planning period;

(B) The likely cost of facilities and services; and,

(C) Any substantial evidence collected by or presented to the city regarding how similarly situated land in the region has, or has not, developed over time.

(d) As used in this section, “impediments to service provision” may include but are not limited to:

(A) Major rivers or other water bodies that would require new bridge crossings to serve planned urban development;

(B) Topographic features such as canyons or ridges with slopes exceeding 40 percent and vertical relief of greater than 80 feet;

**(C) Freeways, rail lines, or other restricted access corridors that would require new grade separated crossings to serve planned urban development;**

(D) Significant scenic, natural, cultural or recreational resources on an acknowledged plan inventory and subject protection measures under the plan or implementing regulations, or on a published state or federal inventory, that would prohibit or substantially impede the placement or construction of necessary public facilities and services.

(6) Land may not be excluded from the preliminary study area based on a finding of impracticability that is primarily a result of existing development patterns. However, a city may forecast development capacity for such land as provided in OAR 660-038-0170(1)(d).



(7) A city that has a population of 10,000 or more that evaluates or amends its UGB using a method described in this division, must notify districts and counties that have territory within the study area in the manner required by ORS 197A.315 and meet other applicable requirements in that statute.

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

### **660-038-0170 - Evaluation of Land in the Study Area for Inclusion in the UGB; Priorities**

(1) A city considering a UGB amendment must decide which land to add to the UGB by evaluating all land in the study area determined under OAR 660-038-0160, as follows:

(a) Beginning with the highest priority category of land described in section (2), the city must apply section (5) to **determine which land in that priority category is suitable to satisfy the need deficiency** determined under OAR 660-038-0080 and 660-038-0150 and select for inclusion in the UGB as much of the land as necessary to satisfy the need.

(b) **If the amount of suitable land in the first priority category is not adequate to satisfy the identified need deficiency**, the city must apply section (5) to determine which land in the next priority is suitable and select for inclusion in the UGB as much of the suitable land in that priority as necessary to satisfy the need. The city must proceed in this manner until all the land need is satisfied.

(c) If the **amount of suitable land in a particular priority category in section (2) exceeds the amount necessary to satisfy the need deficiency**, the city must choose which land in that priority to include in the UGB by applying the criteria in section (7) of this rule.

(d) In evaluating the sufficiency of land to satisfy a need under this section, the city may consider factors that reduce the capacity of the land to meet the need, including factors identified in sections (5) and (6) of this rule.

(e) Land that is determined to not be suitable under section (5) of this rule to satisfy the need deficiency determined under OAR 660-038-0080 or 660-038-0150 is not required to be selected for inclusion in the UGB unless its inclusion is necessary to serve other higher priority lands.

(2) Priority of Land for inclusion in a UGB:

(a) **First priority is urban reserve, exception land, and nonresource land.** Lands in the study area that meet the description in paragraphs (A) through (C) of this subsection are of equal (first) priority:

(A) Land designated as an urban reserve under OAR chapter 660, division 21, in an acknowledged comprehensive plan;

(B) Land that is subject to an acknowledged exception under ORS 197.732; and

(C) Land that is nonresource land.

(b) **Second priority is marginal land:** land within the study area that is designated as marginal land under ORS 197.247 (1991 Edition) in the acknowledged comprehensive plan.

(c) **Third priority is forest or farm land that is not predominantly high-value farmland:** land within the study area that is designated for forest or agriculture uses in the acknowledged comprehensive plan that is not predominantly high-value farmland, as defined in ORS 195.300, or that does not consist predominantly of prime or unique soils, as determined by the United States Department of Agriculture Natural Resources Conservation Service (USDA NRCS). In selecting as much of the suitable land as necessary to satisfy the need, the city must use the agricultural land capability classification system or the cubic foot site class system, as appropriate for the acknowledged comprehensive plan designation, to select lower capability or cubic foot site class lands first.

(d) **Fourth priority is farmland that is predominantly high-value farmland:** land within the study area that is designated as agricultural land in an acknowledged comprehensive plan and is predominantly high-value farmland as defined in ORS 195.300. A city may not select land that is predominantly made up of prime or unique farm soils, as defined by the USDA NRCS, unless there is an insufficient amount of other land to satisfy its land need. In selecting as much of the suitable land as necessary to satisfy the need, the city must use the agricultural land capability classification system to select lower capability lands first.

(3) Notwithstanding subsections (2)(c) or (d) of this rule, land that would otherwise be excluded from a UGB may be included if:

(a) The land contains a small amount of third or fourth priority land that is not important to the commercial agricultural enterprise in the area and the land must be included in the UGB to connect a nearby and significantly larger area of land of higher priority for inclusion within the UGB; or

(b) The land contains a small amount of third or fourth priority land that is not predominantly high-value farmland or predominantly made up of prime or unique farm soils and the land is completely surrounded by land of higher priority for inclusion into the UGB.

(4) For purposes of categorizing and evaluating land pursuant to subsections (2)(c) and (d) and section (3) of this rule:

(a) **Areas of land not larger than 100 acres may be grouped together and studied as a single unit of land;**

(b) Areas of land larger than 100 acres that are similarly situated and have similar soils may be grouped together provided soils of lower agricultural or forest capability may not be grouped with soils of higher capability in a manner inconsistent with the intent of section (2) of this rule, which requires that higher capability resource lands shall be the last priority for inclusion in a UGB;

(c) When determining whether the land is predominantly high-value farmland, or predominantly prime or unique, “predominantly” means more than 50 percent.

(5) With respect to section (1), a city must assume that vacant or partially vacant land in a particular priority category is “suitable” to satisfy a need deficiency identified in OAR 660-038-0080 or 660-038-

0150, whichever is applicable, unless it demonstrates that the land cannot satisfy the need based on one or more of the conditions described in subsections (a) through (f) of this section:

(a) Existing parcelization, lot sizes or development patterns of rural residential land make that land unsuitable for an identified **employment** need, as follows:

(A) Parcelization: the land consists primarily of **parcels 2-acres** or less in size, or

(B) Existing development patterns: the land cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure.

(b) The land would qualify for exclusion from the preliminary study area under the factors in OAR 660-038-0160(2) but the city declined to exclude it pending more detailed analysis.

(c) The land is, or will be upon inclusion in the UGB, **subject to natural resources protection under Statewide Planning Goals 5** such that that no development capacity should be forecast on that land to meet the land need deficiency.

(d) With respect to **needed industrial uses only, the land is over 10 percent slope**, as measured in the manner described in OAR 660-038-0160(5); is an **existing lot or parcel that is smaller than 5 acres** in size; or both.

(e) The land is subject to a **conservation easement described in ORS 271.715** that prohibits urban development.

(f) The land is **committed to a use described in this subsection and the use is unlikely to be discontinued during the planning period:**

**(A) Public park, church, school, or cemetery, or**

(B) Land within the boundary of an airport designated for airport uses, but not including land designated or zoned for residential, commercial or industrial uses in an acknowledged comprehensive plan or land use regulations.

(6) For vacant or partially vacant lands added to the UGB to provide for **residential** uses:

(a) **Existing lots or parcels one acre or less may be assumed to have a development capacity of one dwelling unit per lot or parcel. Existing lots or parcels greater than one acre but less than two acres shall be assumed to have an aggregate development capacity of two dwelling units per acre.**

(b) In any subsequent review of a UGB pursuant to this division, the city may use a development assumption for land described in subsection (a) of this section for a period of up to 14 years from the date the lands were added to the UGB.

(7) Pursuant to subsection (1)(c), if the amount of suitable land in a particular priority category under section (2) exceeds the amount necessary to satisfy the need deficiency, the city must choose which land in that priority to include in the UGB by first applying the boundary location factors of Goal 14 and then applying applicable criteria in the comprehensive plan and land use regulations acknowledged prior

to initiation of the UGB evaluation or amendment. The city may not apply local comprehensive plan criteria that contradict the requirements of the boundary location factors of Goal 14. The boundary location factors are not independent criteria; when the factors are applied to compare alternative boundary locations and to determine the UGB location the city must demonstrate that it considered and balanced all the factors. The criteria in this section may not be used to select lands designated for agriculture or forest use that have higher land capability or cubic foot site class, as applicable, ahead of lands that have lower capability or cubic foot site class.

(8) The city must apply the boundary location factors in coordination with service providers and state agencies, including the Oregon Department of Transportation (ODOT) with respect to Factor 2 regarding impacts on the state transportation system, and the Oregon Department of Fish and Wildlife (ODFW) and the Department of State Lands (DSL) with respect to Factor 3 regarding environmental consequences. "Coordination" includes timely notice to agencies and service providers and consideration of any recommended evaluation methodologies.

(9) In applying Goal 14 Boundary Location Factor 2, to evaluate alternative locations under section (7), the city must compare 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. For purposes of this section, the term "public facilities and services" means water, sanitary sewer, storm water management, and transportation facilities. The evaluation and comparison under Boundary Location Factor 2 must consider:

(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.

(10) The adopted findings for UGB amendment must describe or map all of the alternative areas evaluated in the boundary location alternatives analysis.

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

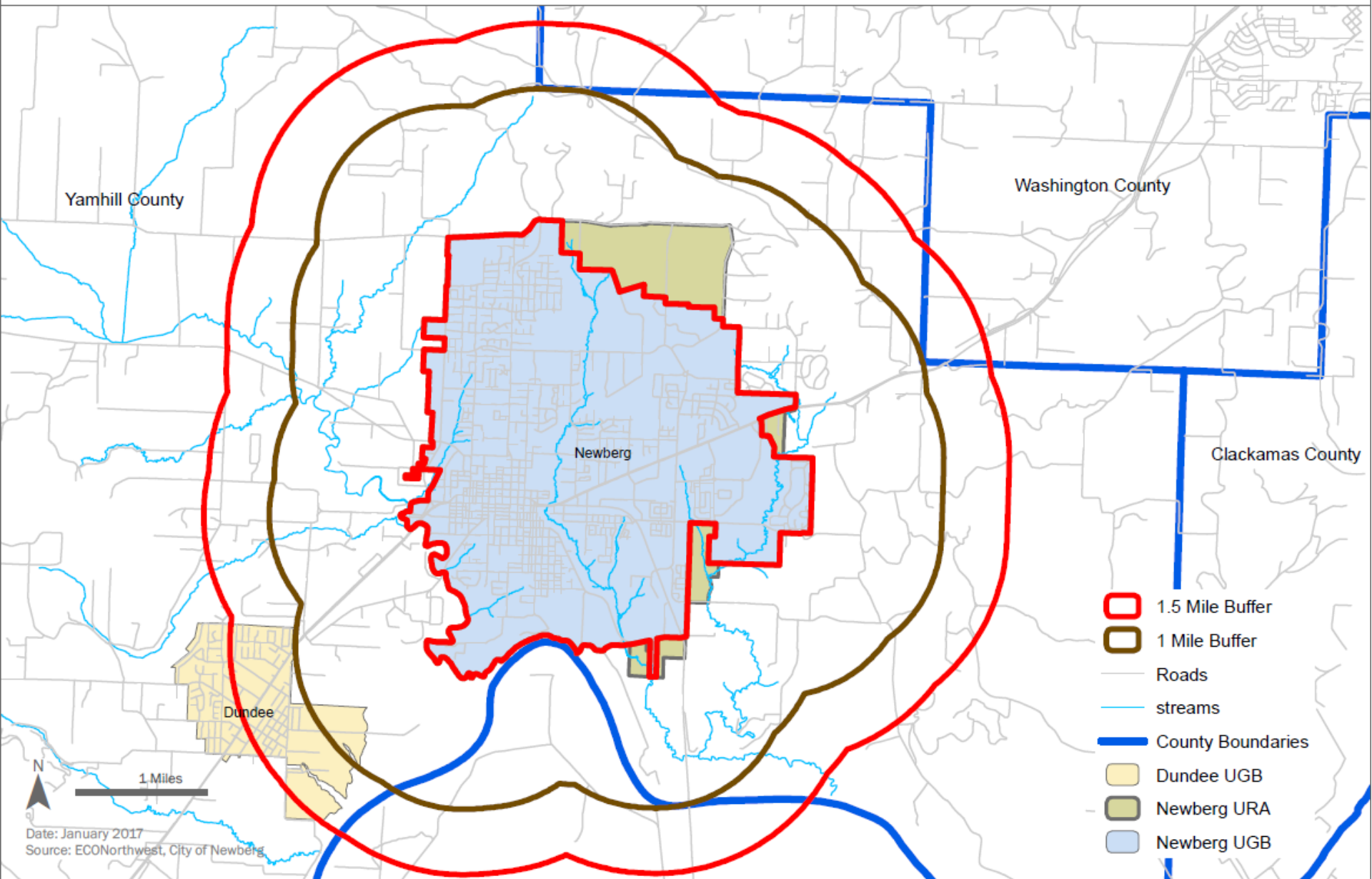
Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

# Newberg Buildable Lands Inventory: Preliminary Results

# Study Area Context

# NEWBERG BLI 2016

## Newberg UGB, URA, and Study Area Buffers



# General Characteristics

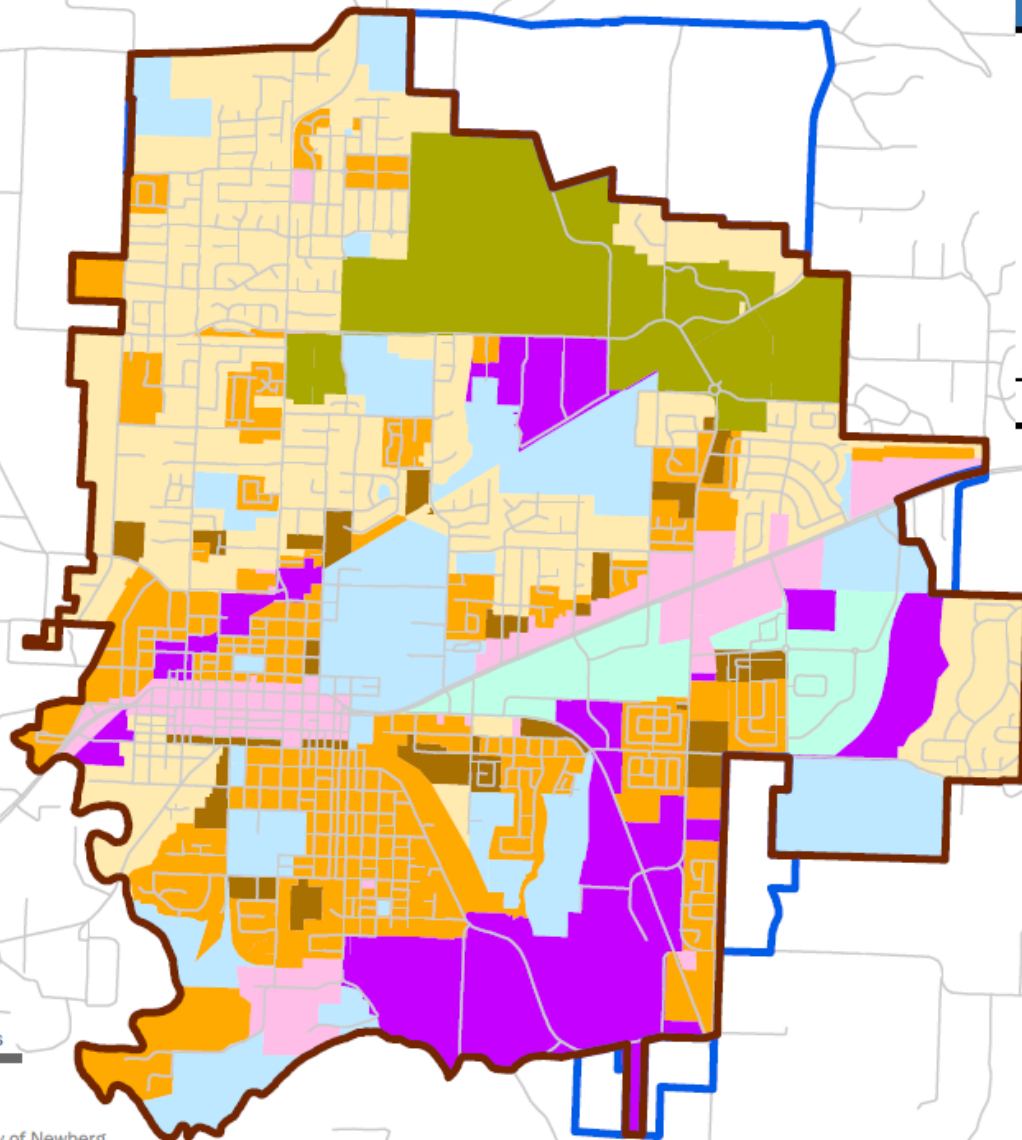
- Four key geographies
  - Newberg UGB
  - Newberg URA
  - All lands within 1-mile buffer
  - Exceptions lands within 1.5 mile buffer

Location/Attribute	Acres
<b>UGB</b>	<b>4,476</b>
Area in Private Tax Lots	3,111
Public Land	677
Roads	687
Area in Water	
<b>URA</b>	<b>551</b>
Area in Private Tax Lots	527
Area in Roads	24
<b>Buffer (outside UGB and URA)</b>	
1-mile	4,700
1.5-mile	10,756



# NEWBERG BLI 2016

## Newberg UGB Generalized Plan Designation

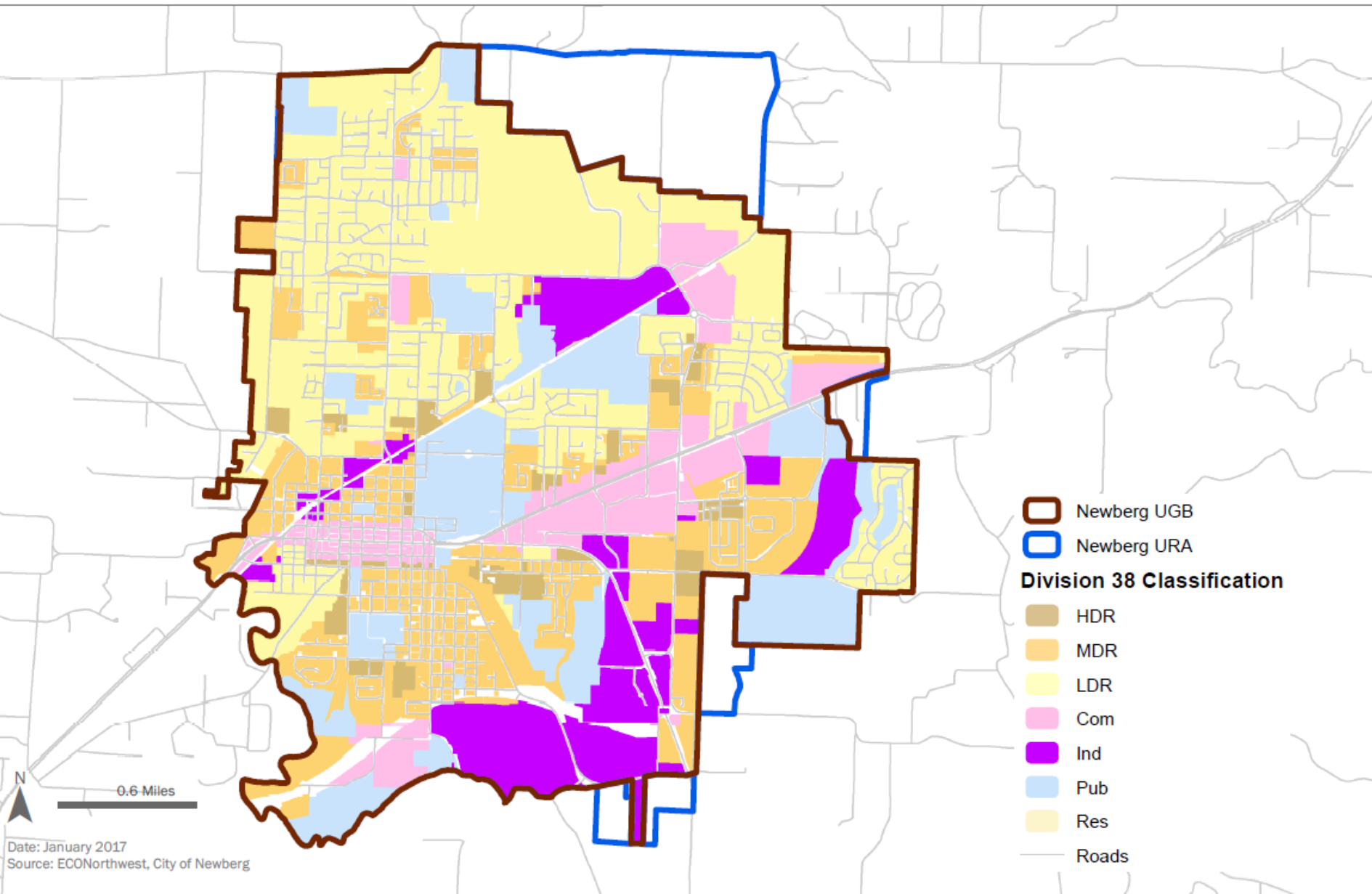


Generalized Plan Designation	Acres
Commercial	281
Industrial	533
Low Density Residential	1,232
Medium Density Residential	888
High Density Residential	152
Mixed-Use	196
Public	707
Springbrook Master Plan	487
<b>Total</b>	<b>4,475</b>

- Newberg UGB
- Newberg URA
- Roads
- Generalized Plan Designation**
- Commercial
- High Density Residential
- Industrial
- Low Density Residential
- Medium Density Residential
- Mixed-Use
- Public
- Springbrook Master Plan

# NEWBERG BLI 2016

## Division 38 Plan Designation and Density Classification



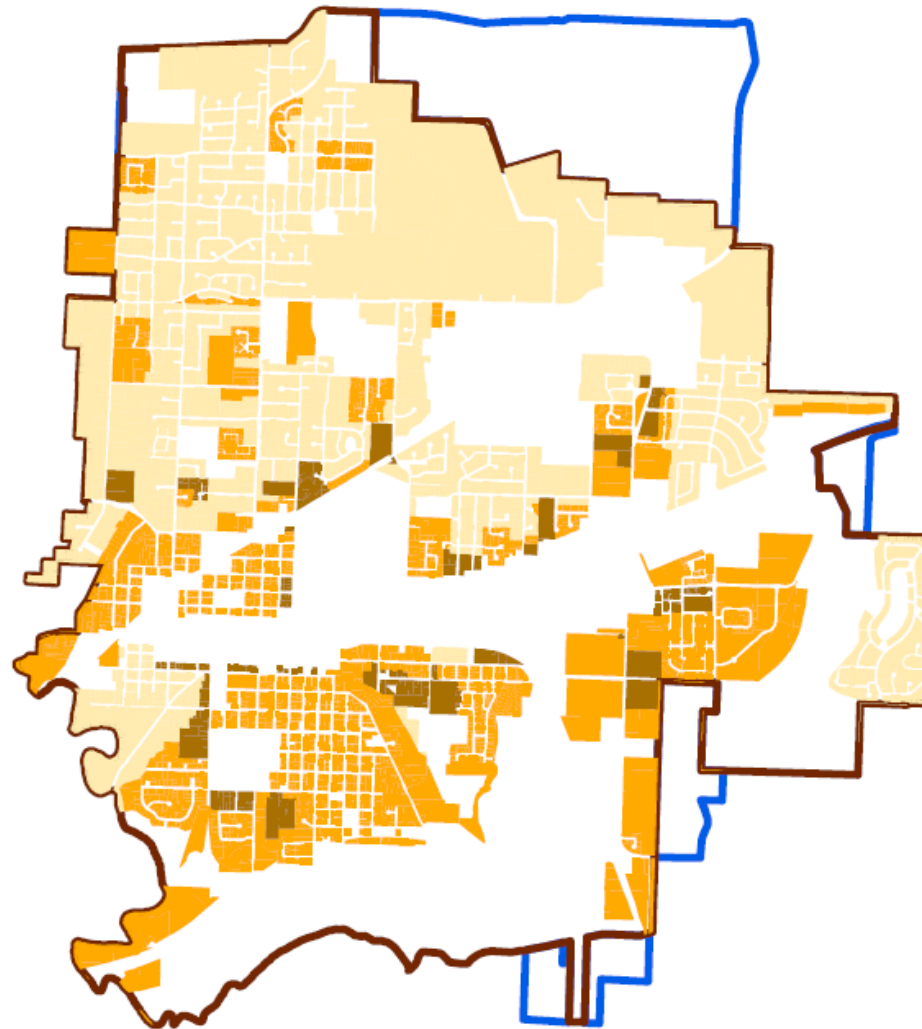
# Residential BLI

# Residential BLI: Steps

- Classify plan designations/zones by allowed density
  - Low density -  $\leq 8$  du/ac
  - Medium density -  $> 8$  and  $\leq 16$  du/ac
  - High density -  $> 16$  du/ac
- Classify land
  - Vacant:  $> 3000$  sf; imp val  $< \$10,000$
  - Partially vacant:
    - $\geq 1/2$  acre with 1 du – area – 0.25 acre
    - $\geq 1/2$  ac with 2+ du – use orthophotos
- Identify
  - All “developed” lands
  - All “vacant” and “partially vacant” lands
  - Total of developed, vacant, and partially vacant






# NEWBERG BLI 2016

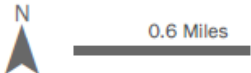
## Division 38 - Residential Density Class



Plan Designation	Density Class
LDR	LDR
LDR/1A	LDR
LDR/SP	LDR
LDR-6.6	LDR
SD/LDR	LDR
MDR	MDR
MDR/RD	MDR
MDR/SP	MDR
MIX/SP	MDR
SD/MRR	MDR
HDR	HDR
HDR/SP	HDR

### Density Class

-  HDR
-  LDR
-  MDR
-  Newberg UGB
-  Newberg URA

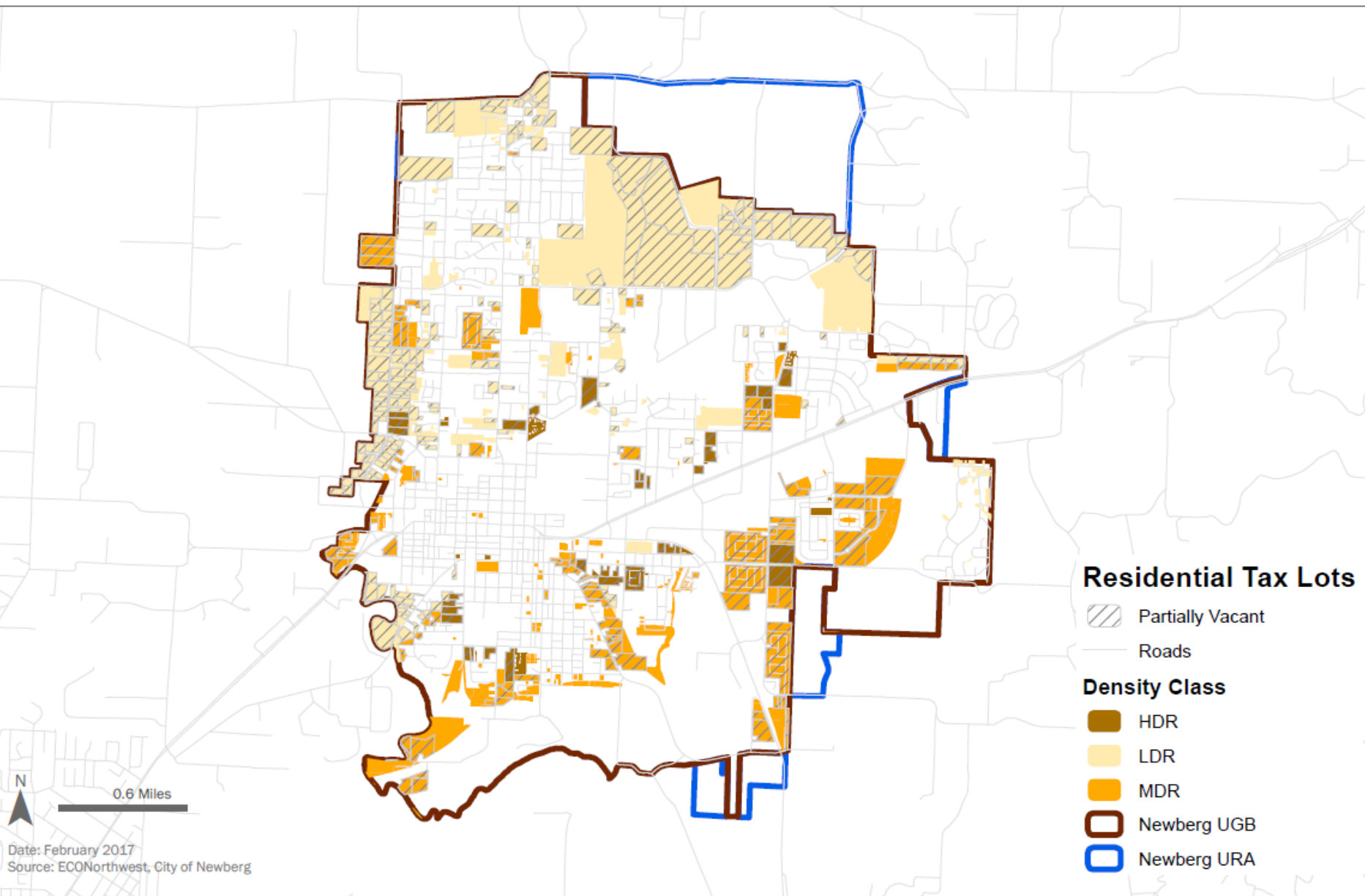


# Residential BLI: Constraints

- Floodways and water bodies (100%)
- Lands in “special flood hazard area” (100%)
- Contiguous lands of at least one acre with slopes greater than 25 percent
- Land subject to development restrictions due to Goal 5, 6, or 7

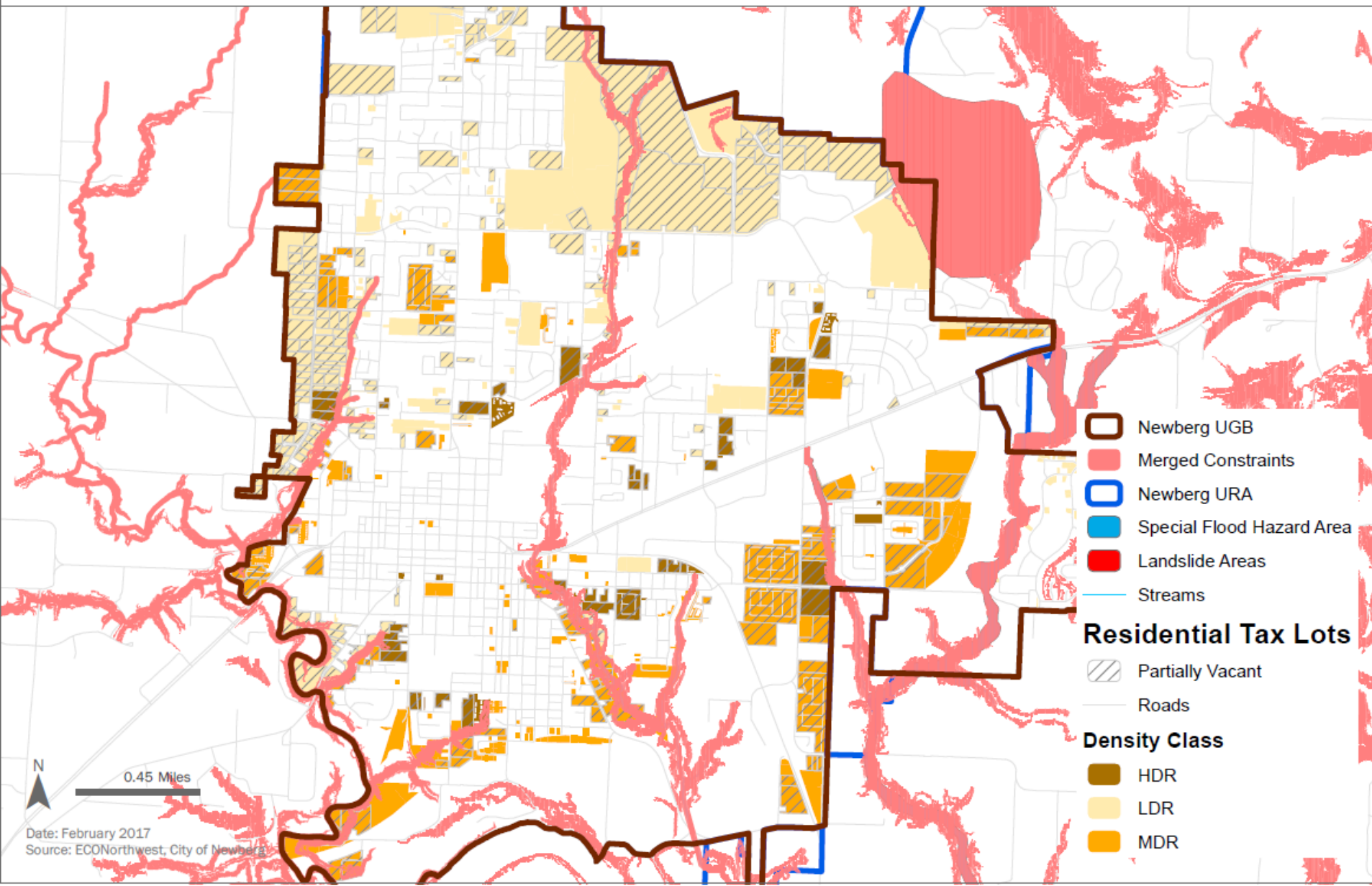
# NEWBERG BLI 2016

## Vacant and Partially Vacant Residential Land by Density Class



# NEWBERG BLI 2016

## Vacant and Partially Vacant Residential Land by Density Class





# Residential Land – Division 38 Results

## Total Acres by Status and Density

Status	Density Category			Total
	LDR	MDR	HDR	
Developed	564	350	33	948
Partially Vacant	448	261	81	790
Vacant	279	162	12	454
<b>Total</b>	<b>1,292</b>	<b>773</b>	<b>127</b>	<b>2,192</b>

## Vacant/PV Acres by Density (and development status)

### 2009 Residential BLI

Plan Designation	Buildable Acres in UGB* 1/1/2009
LDR	601
MDR	125
HDR	45
<b>Total</b>	<b>771</b>

Div 38 Density Class	Tax Lots	Total Acres	Improved Acres	Constrained Acres	Vacant Acres
LDR	3,339	1,292	634	93	565
MDR	2,800	773	385	77	311
HDR	407	127	42	9	76
<b>Total</b>	<b>6,546</b>	<b>2,192</b>	<b>1,061</b>	<b>179</b>	<b>952</b>

#### Constraints:

- Slope 25% +
- Floodway, 100 yr floodplain
- Stream corridors
- Landslide hazard

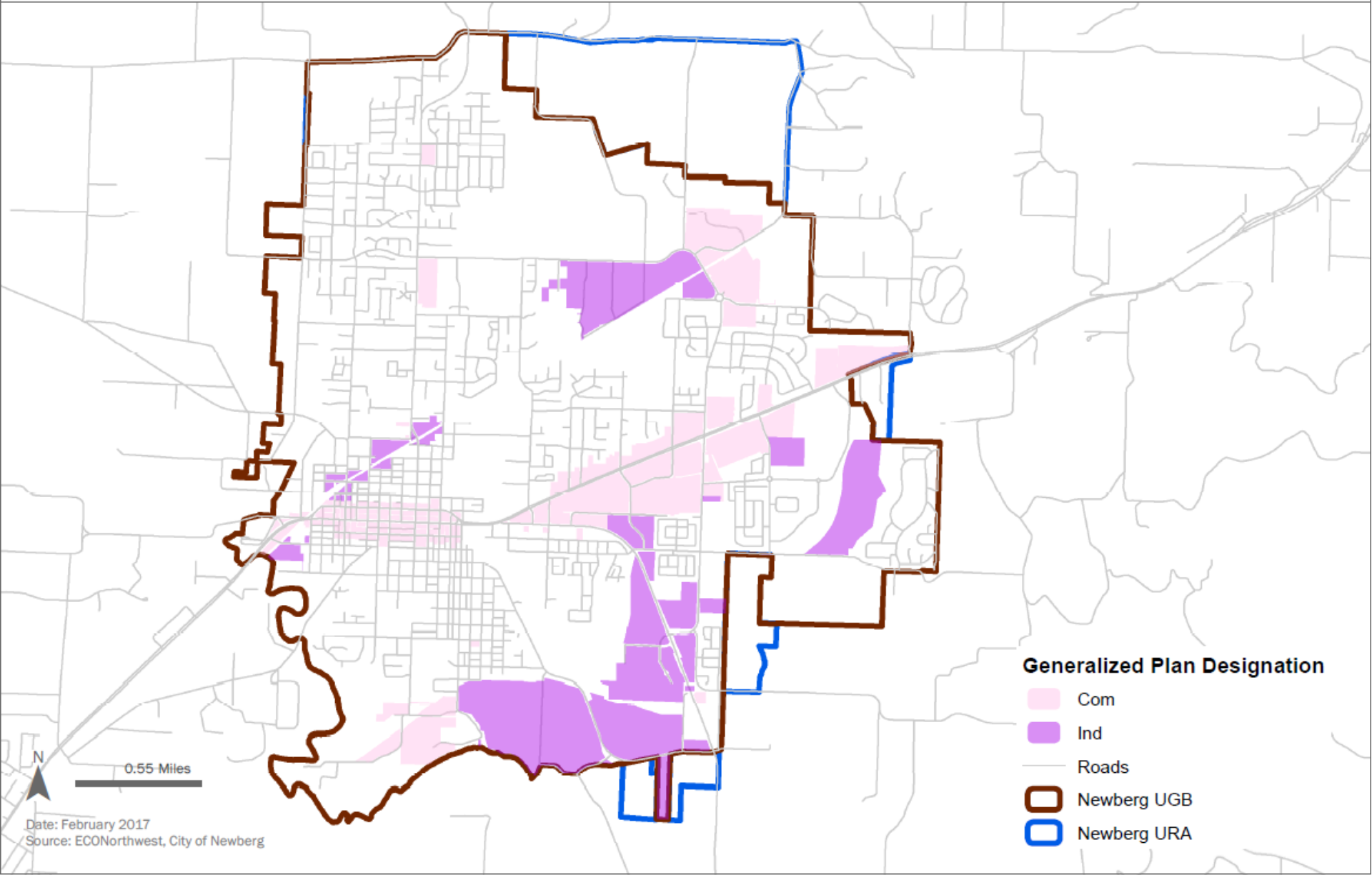
# Employment BLI

# Employment BLI: Steps

- Classify existing employment districts as “commercial” or “industrial”
  - Based on predominate NAICS codes specified in OAR 660-038-0005(2) and (3)
- Classify lands
  - Vacant: imp val  $\leq$  \$5,000 or I/L ratio  $< .05$
  - Partially vacant:
    - I/L ratio between 5% and 40% (assume 50% vacant), OR
    - $>1$  ac and at least  $\frac{1}{2}$  ac is developed
  - Developed: Lots not vacant or partially vacant

# NEWBERG BLI 2016

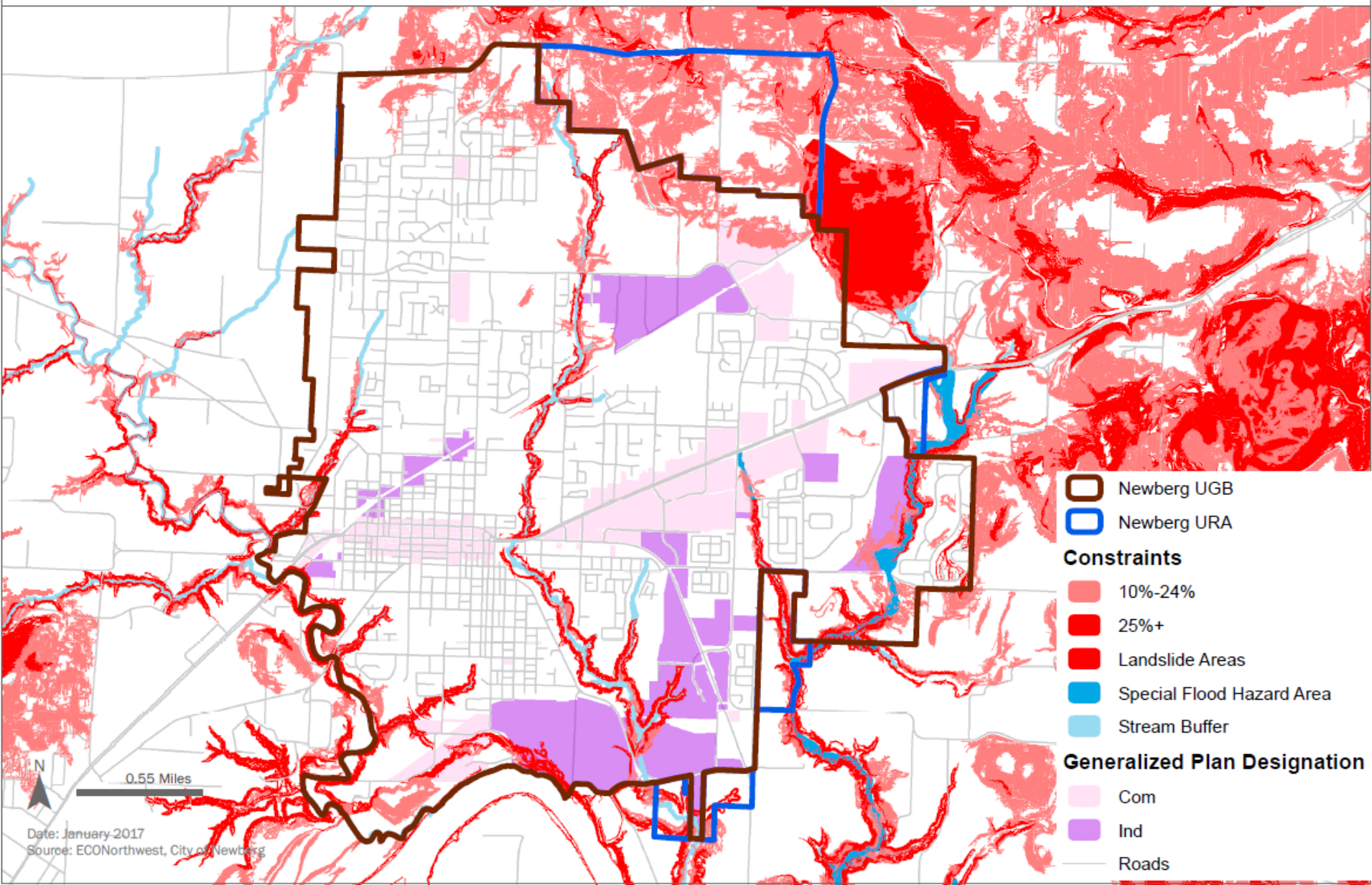
## Commercial and Industrial Lands



Date: February 2017  
Source: ECONorthwest, City of Newberg

# NEWBERG BLI 2016

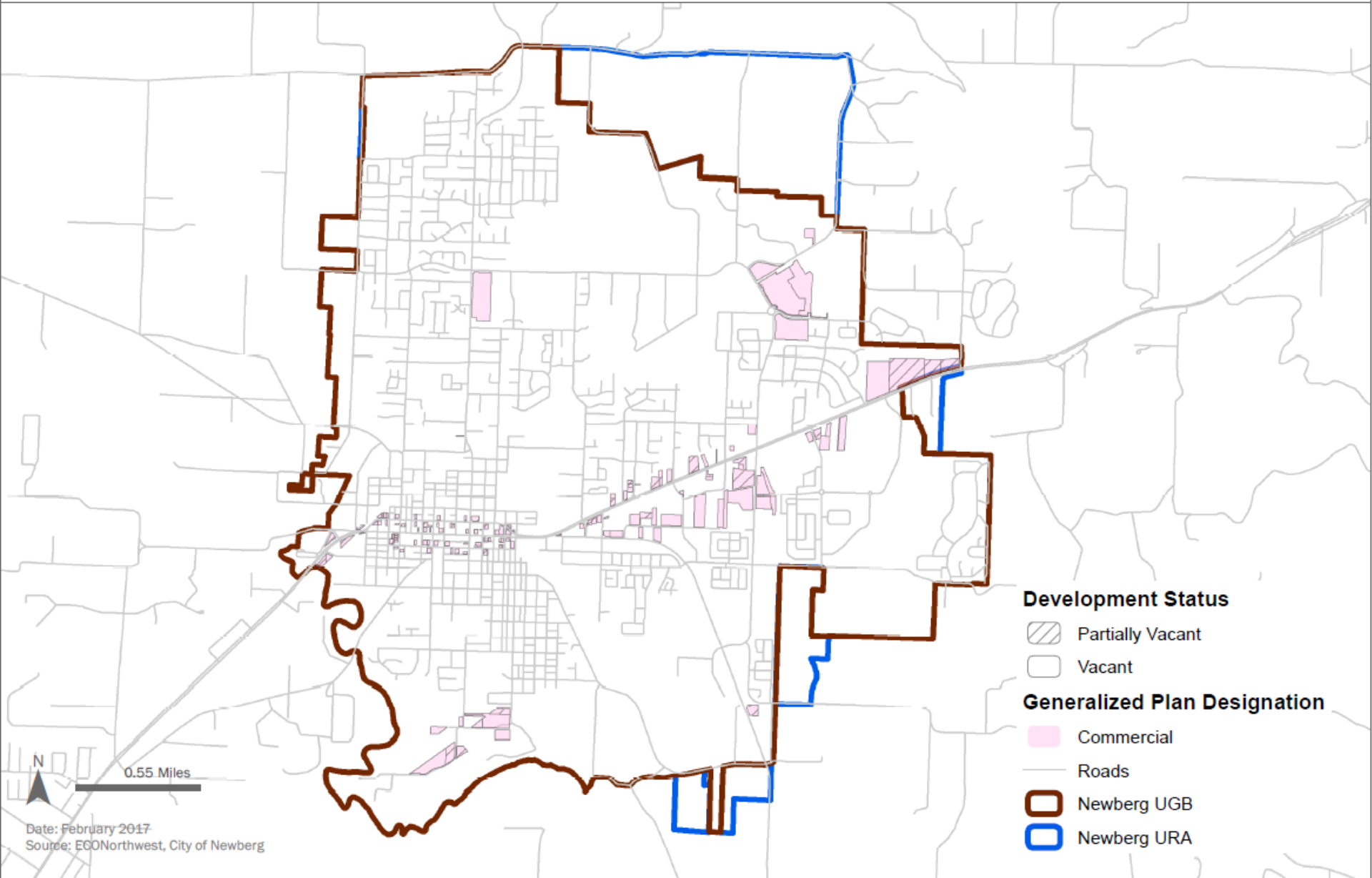
## Commercial and Industrial Lands



# Commercial Lands

# NEWBERG BLI 2016

## Vacant and Partially Vacant Commercial Lands



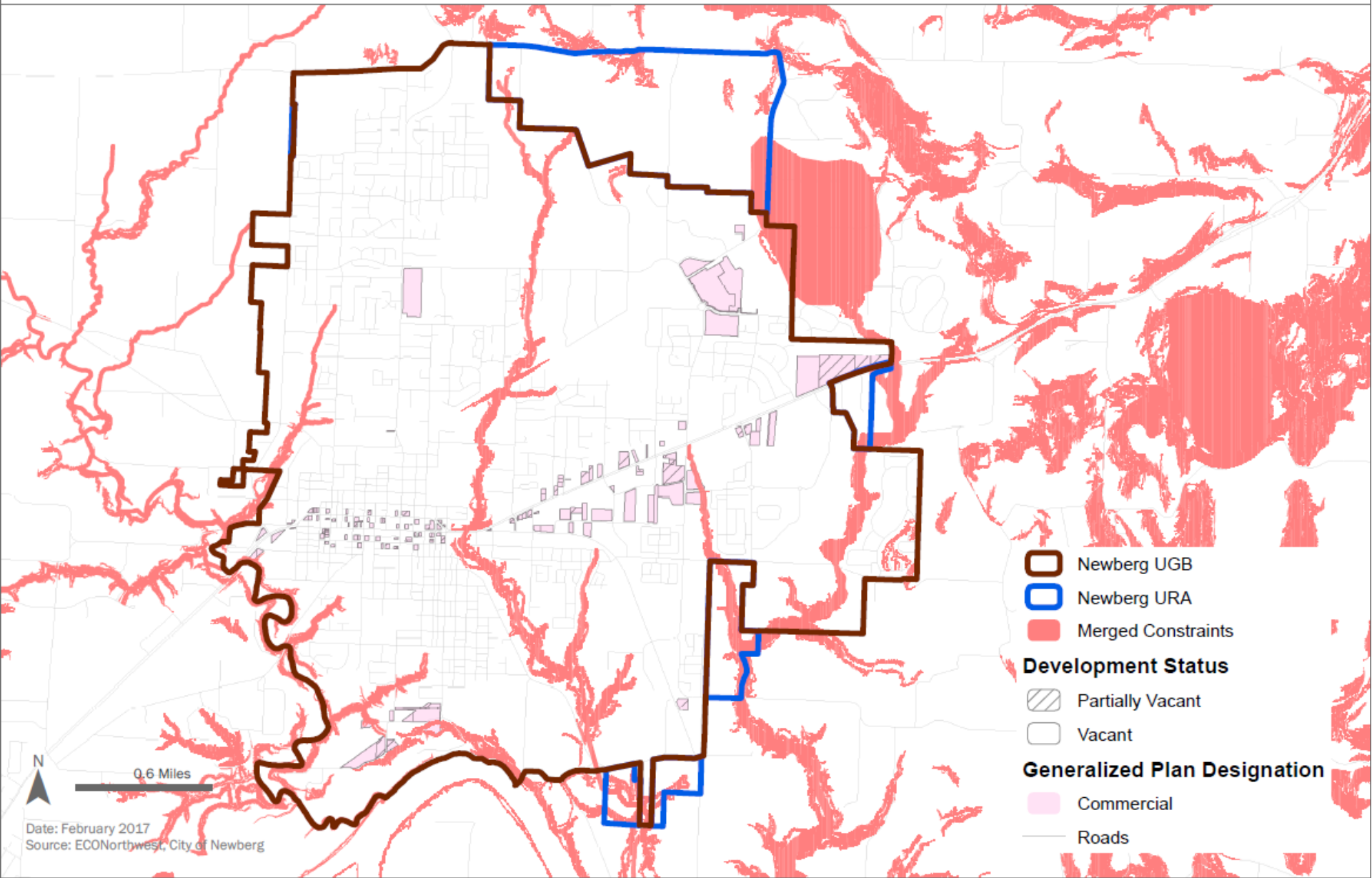
# Employment BLI: Constraints

- Floodways and water bodies (100%)
- Lands in “special flood hazard area” (50% or level allowed by plan)
- Contiguous commercial lands of at least one acre with slopes greater than 25 percent (only constrained portions)
- Contiguous industrial lands of at least one acre with slopes greater than 10 percent (only constrained portions)
- Land subject to development restrictions due to Goal 5, 6, or 7



# NEWBERG BLI 2016

## Vacant and Partially Vacant Commercial Lands and Constraints



# Commercial BLI: Preliminary Results

## Commercial Acres by Status

<b>Development Status</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Vacant Acres</b>
Developed	275	218	212	6	0
Partially Vacant	64	46	13	1	32
Vacant	91	118	0	4	114
<b>Total</b>	<b>430</b>	<b>381</b>	<b>225</b>	<b>10</b>	<b>146</b>

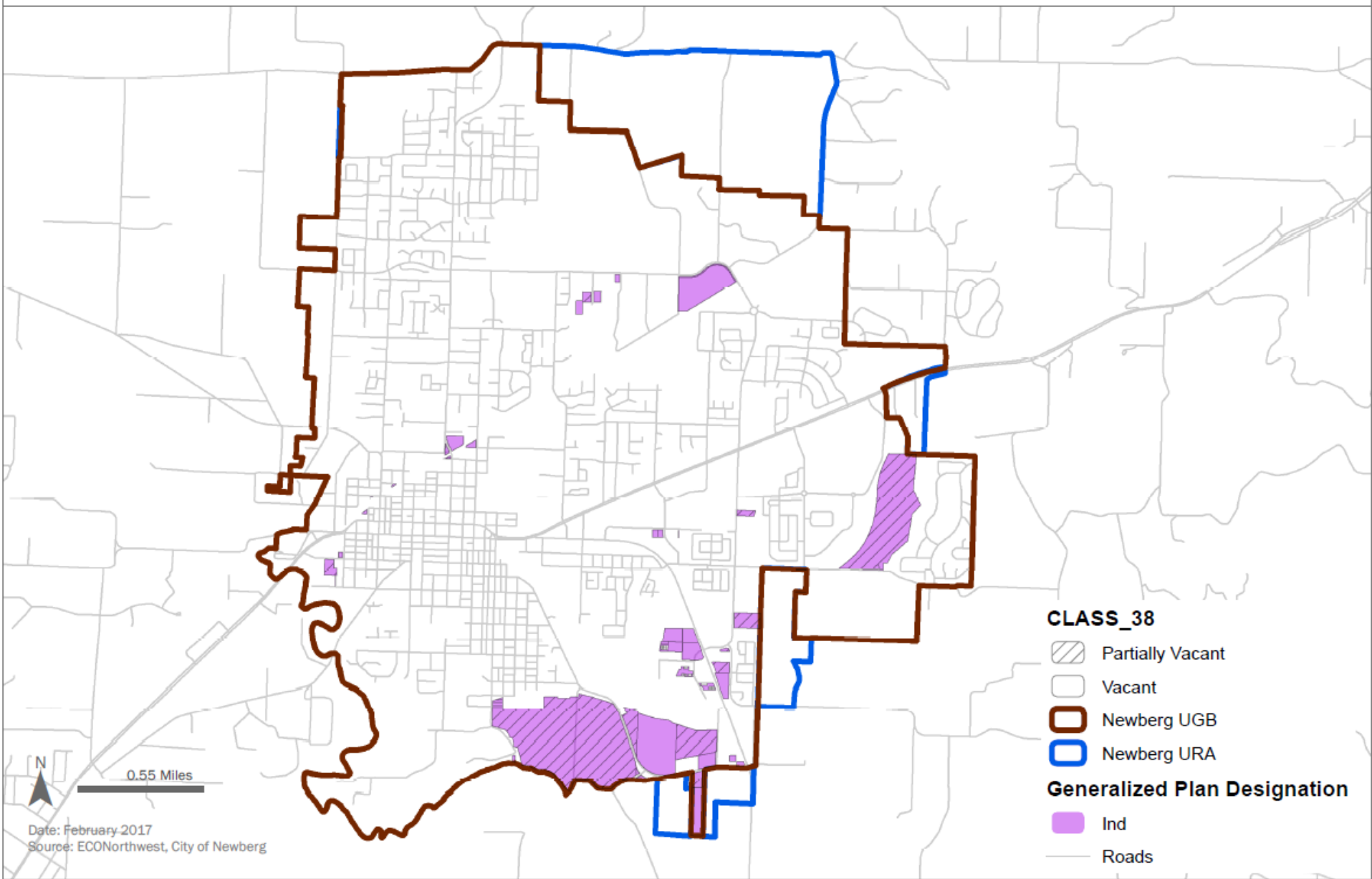
2013 EOA found

- 120 acres commercial
- 60 acres industrial

# Industrial Lands

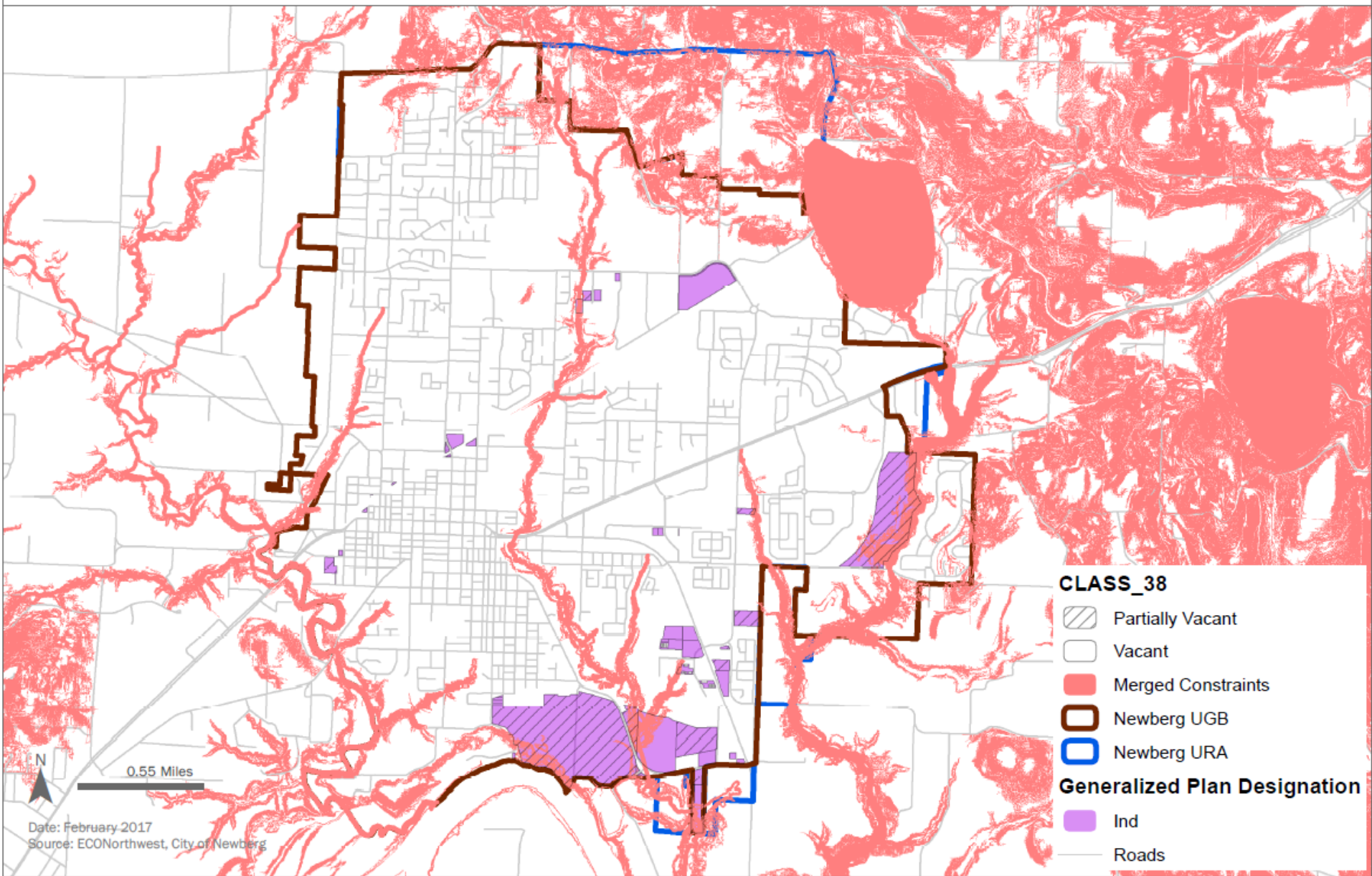
# NEWBERG BLI 2016

## Vacant and Partially Vacant Industrial Lands



# NEWBERG BLI 2016

## Vacant and PV Industrial Lands, Constraints - Slope 10%+



# Industrial BLI: Preliminary Results

## Total Industrial Acres by Status and Plan Designation

<b>Development Status</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Vacant Acres</b>
Developed	121	197	182	15	0
Partially Vacant	11	200	144	36	19
Vacant	44	82	0	13	70
<b>Total</b>	<b>176</b>	<b>479</b>	<b>326</b>	<b>64</b>	<b>89</b>

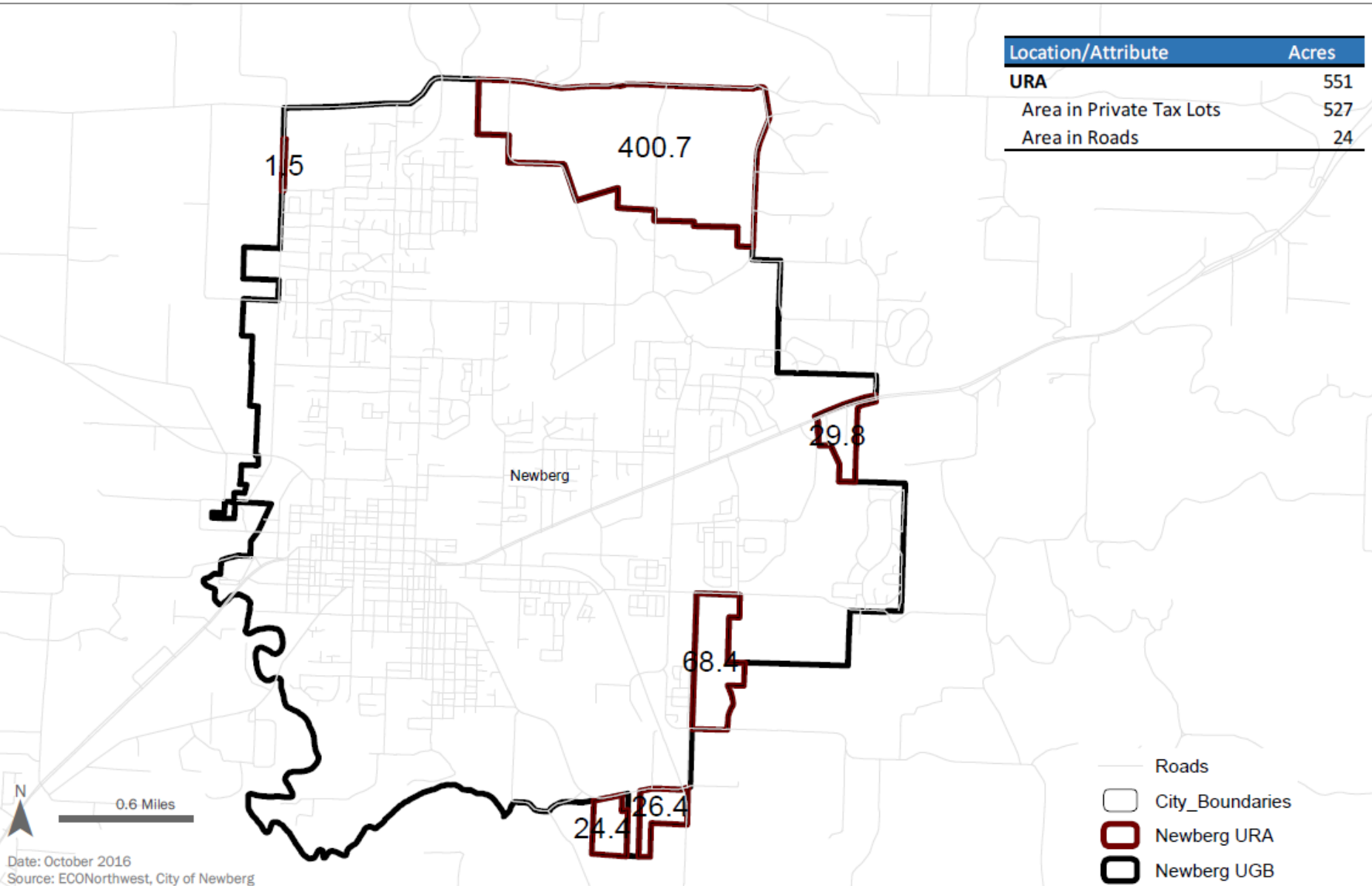
2013 EOA found

- 120 acres commercial
- 60 acres industrial

# Urban Reserve Areas

# NEWBERG BLI 2016

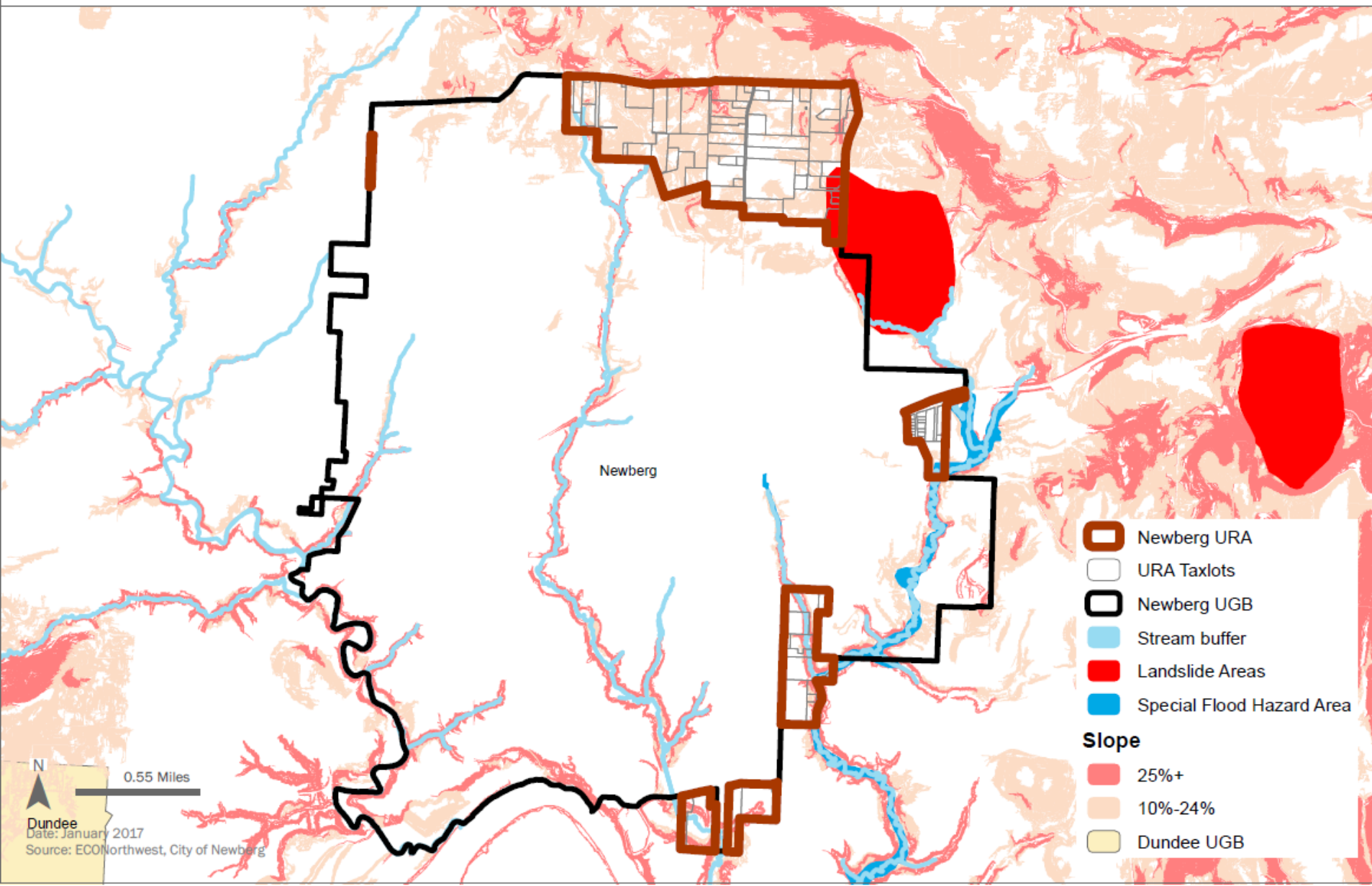
## Newberg Urban Reserve Areas





# NEWBERG BLI 2016

## Newberg URA and Constraints



# Urban Reserve Land

- 551 Acres in URAs
- 527 in TL
- 75 Dwelling Units
- ~50% of land in lots over 10 acres

Lot Size (Ac)	Tax Lots	Acres	DU
<=1	42	17	22
>1 and <2	6	8	6
>=2 and <5	27	89	20
>=5 and <10	20	153	19
>=10 and <20	14	195	6
>=20 and <50	2	64	2
<b>Total</b>	<b>111</b>	<b>527</b>	<b>75</b>

# Urban Reserve Areas

## Total URA Acres by Development Status

Classification	Tax Lots	Total Acres	Developed Acres	Constrained Acres	Suitable Acres	
					>25% slope	>10% slope
Developed	24	12	12	3	9	7
Partially Vacant - <2 Ac	49	386	25	39	347	200
Partially Vacant - >=2 Ac	6	8	4	2	6	5
Vacant	32	121	0	22	99	60
<b>Total</b>	<b>111</b>	<b>527</b>	<b>40</b>	<b>66</b>	<b>461</b>	<b>272</b>

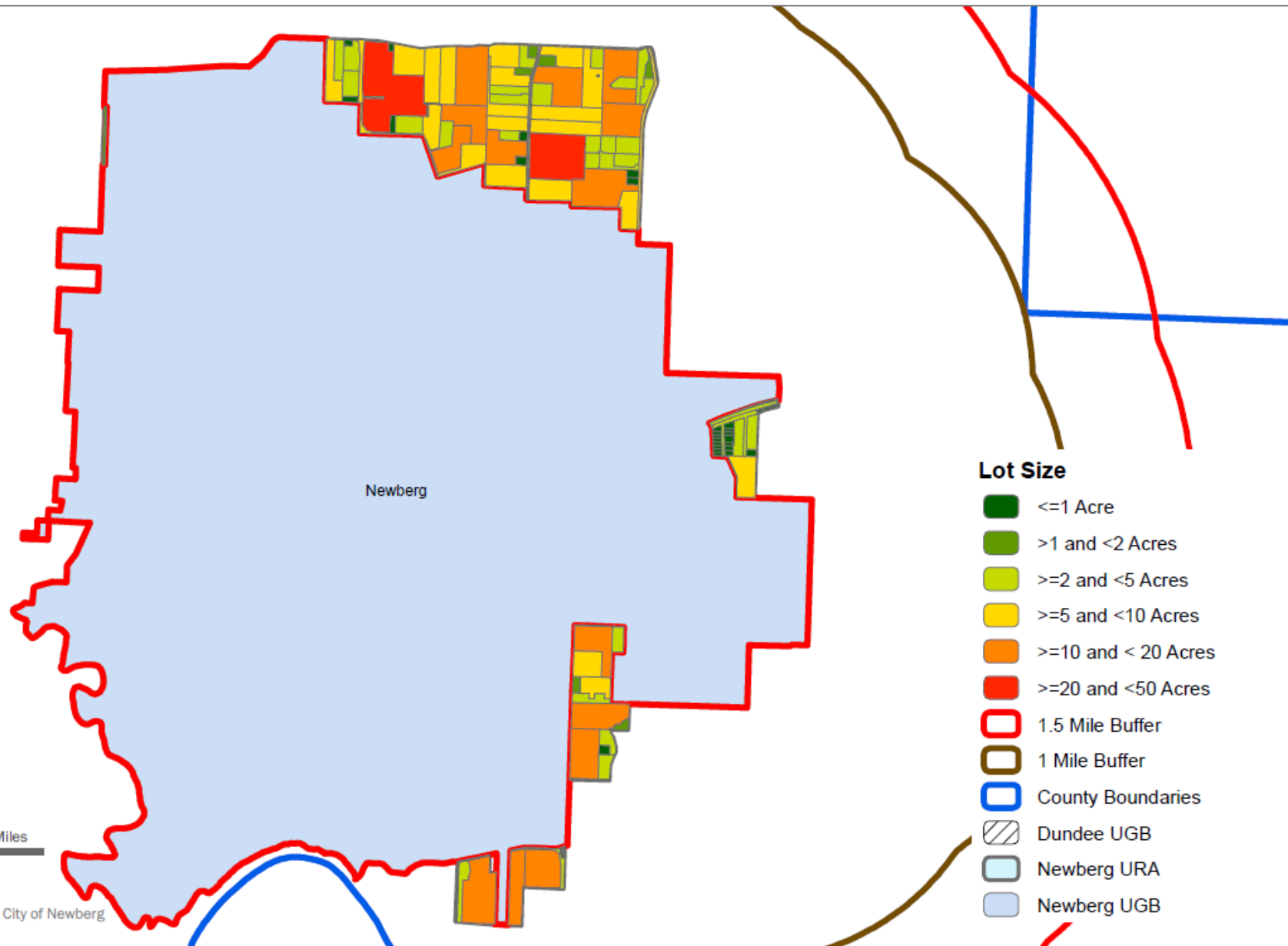
## URA Acres and Estimated Housing Capacity

Lot Size (Ac)	Tax Lots	Total Acres	Buildable Acres	DU	Est. Capacity
<=1	22	11	9	22	42
>1 and <2	6	8	76	6	12
>=2 and <5	20	69	60	20	360
>=5 and <10	19	144	64	19	383
>=10 and <20	6	85	127	6	761
>=20 and <50	2	64	6	2	38
<b>Total</b>	<b>75</b>	<b>381</b>	<b>342</b>	<b>75</b>	<b>1,597</b>

Note:: assumes an average of 6 du/ac

# NEWBERG BLI 2016

## Newberg URA - Lots by Size



0.55 Miles

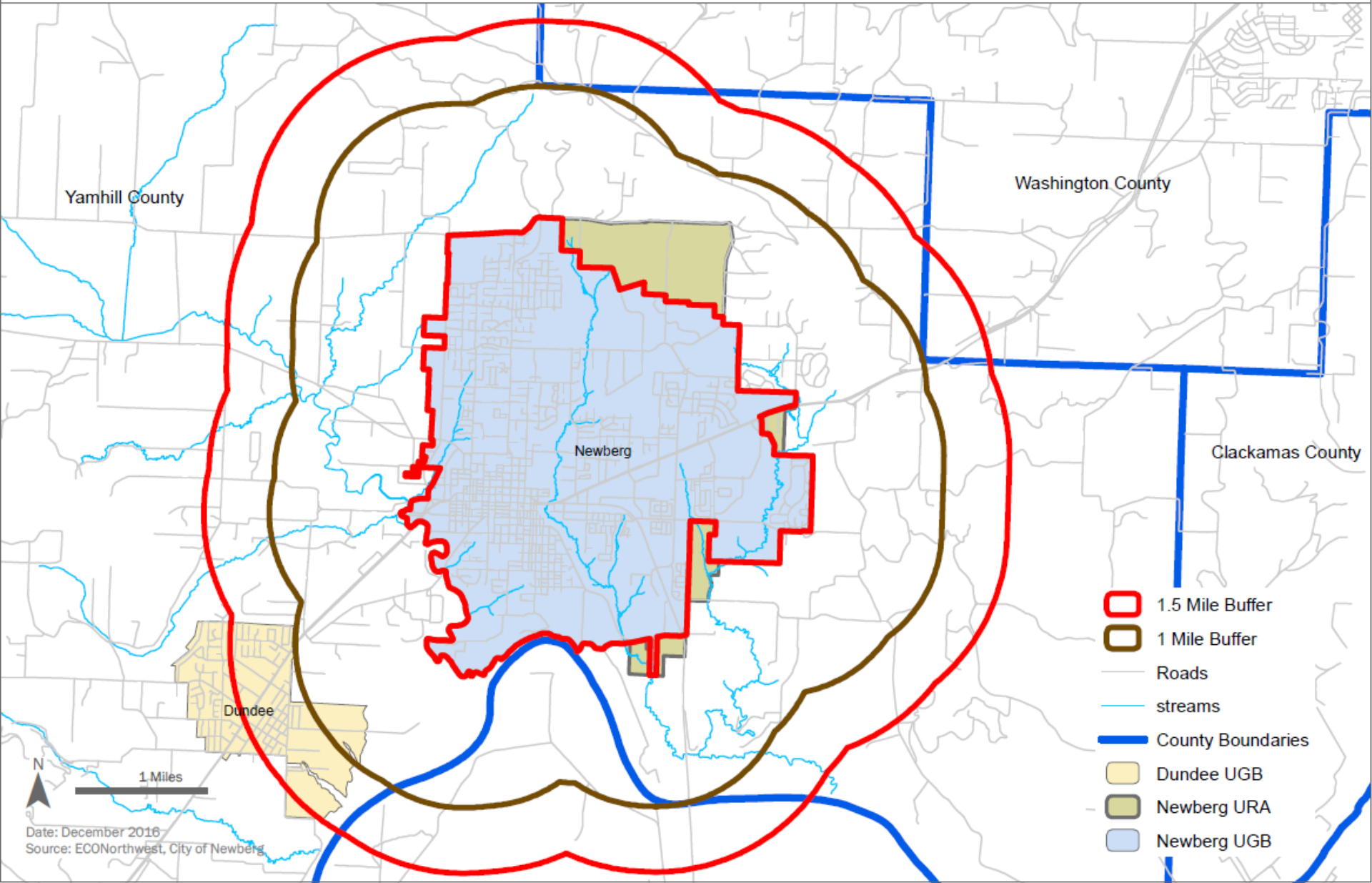
Date: December 2016  
Source: ECONorthwest, City of Newberg

# UGB Study Area Determination

- OAR 660-038-0160(1) – Preliminary Study Area
  - All lands in the city's acknowledged urban reserve
  - All lands within one mile of the UGB
  - Exceptions areas within 1.5 miles of the UGB

# NEWBERG BLI 2016

## Newberg UGB, URA, and Study Area Buffers



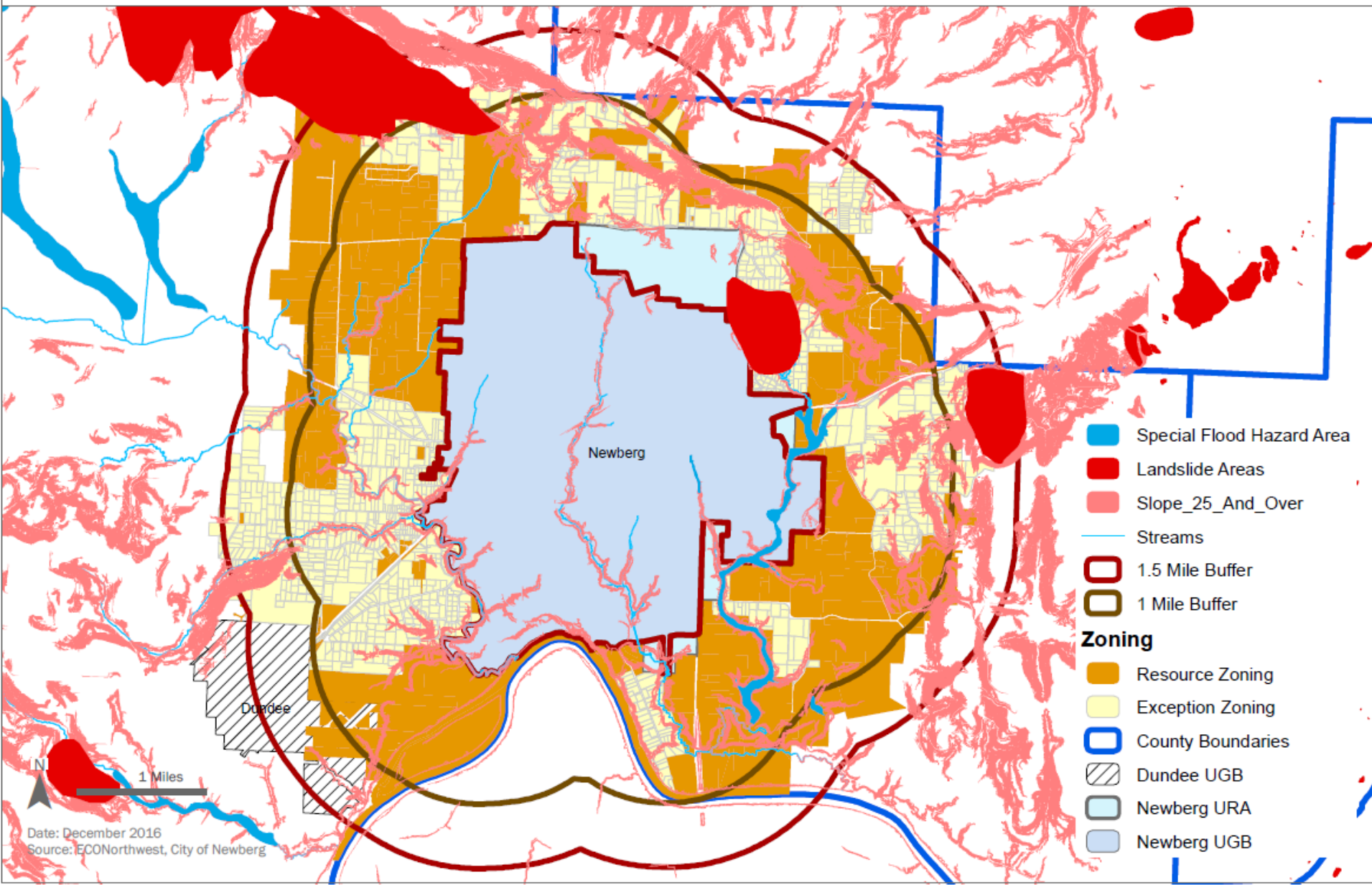
# Study Area: Exclusions

- Areas in Marion County - impracticable service (OAR 660-038-0160(7)(b))
- Landslide areas – identified in DOGAMI “SLIDO” 4.3 database (OAR 660-038-0160(2)(b)(A))
- Flood areas – areas in FEMA Special Flood Hazard Area (OAR 660-038-0160(2)(b)(B))
- Dundee UGB – Shall not include areas within another UGB (660-038-0160(1))



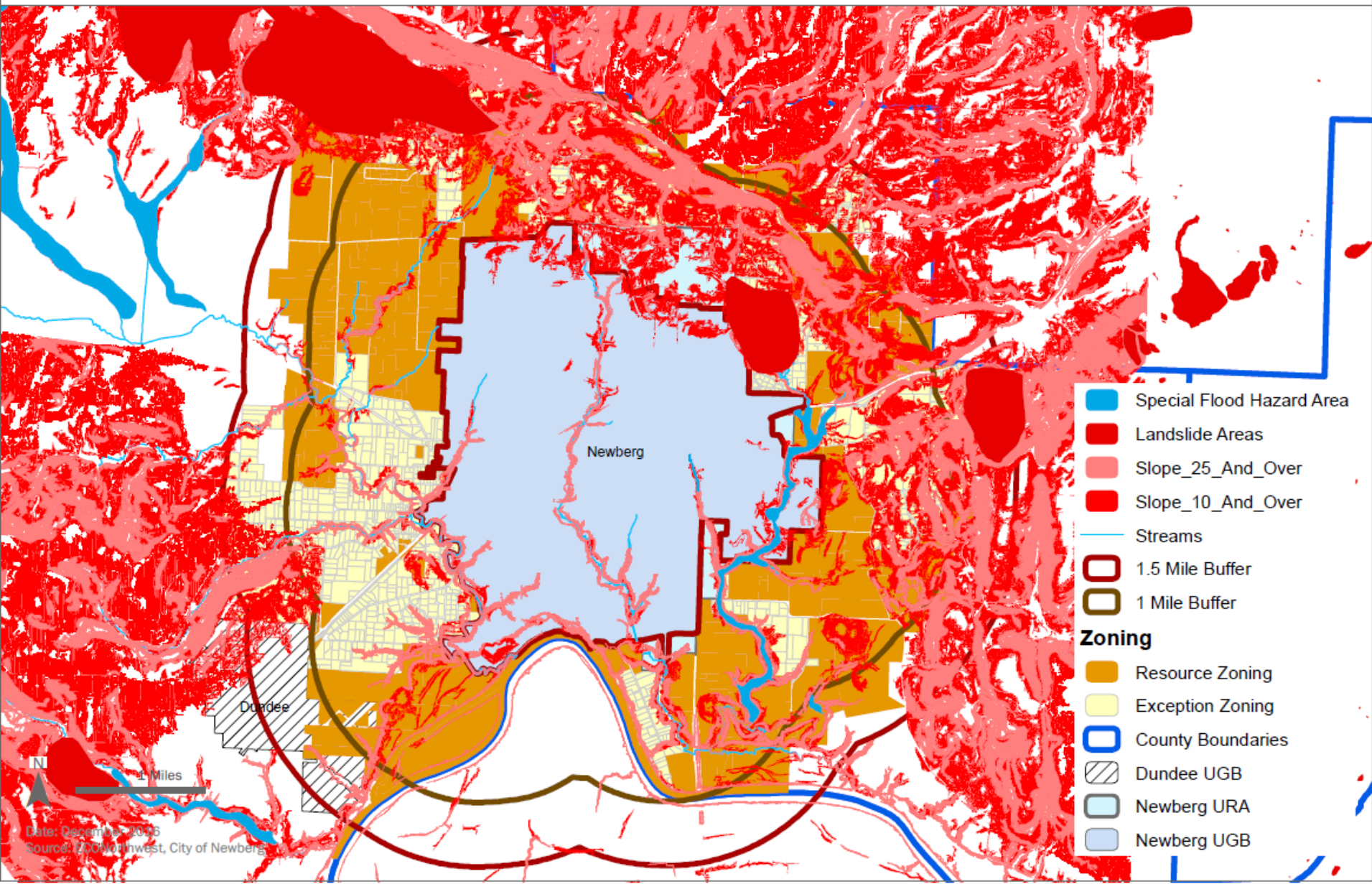
# NEWBERG BLI 2016

## Newberg Study Area Buffers, Zoning and Exclusion Areas



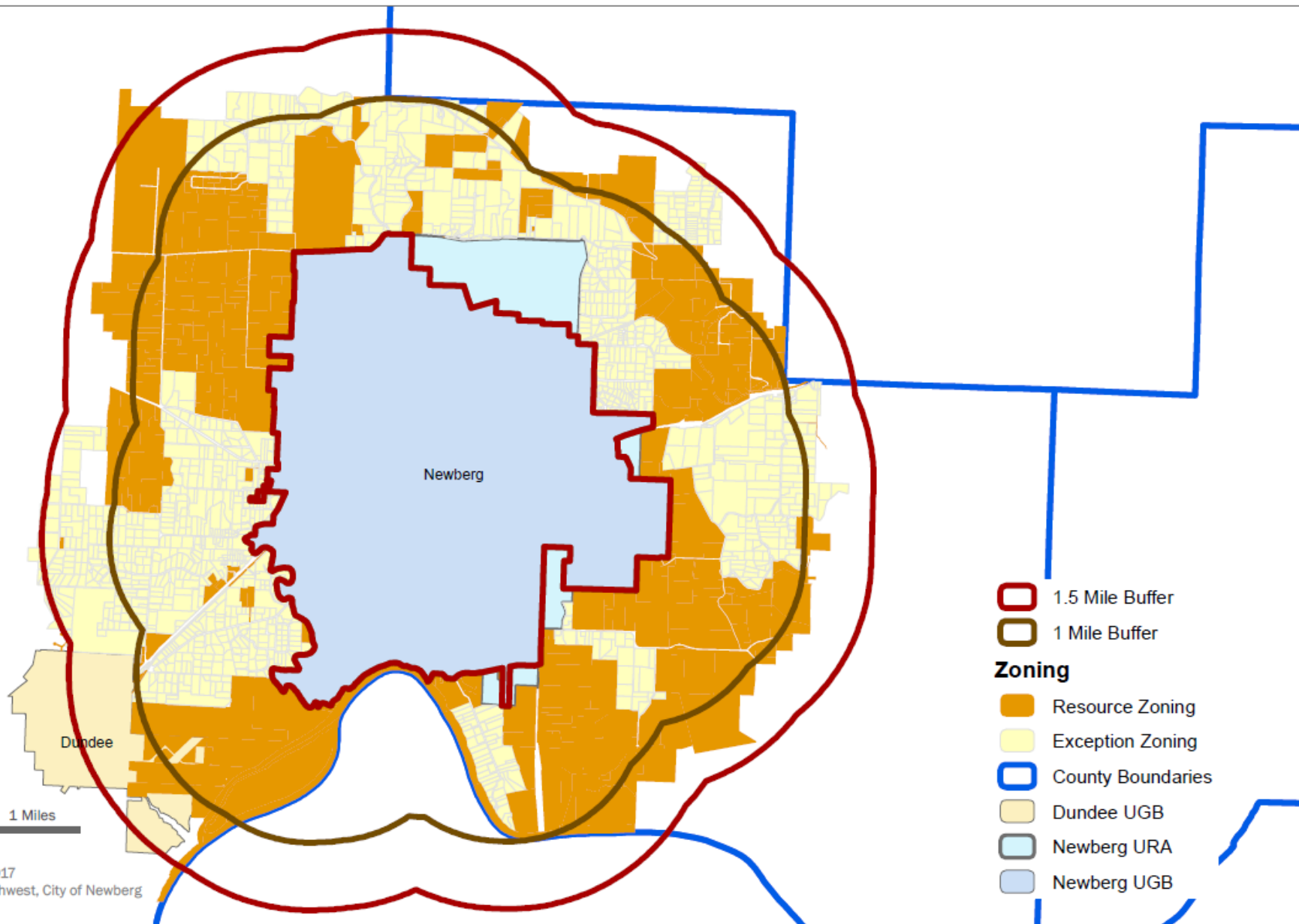
# NEWBERG BLI 2016

## Newberg Study Area Buffers, Zoning and Exclusion Areas



# NEWBERG BLI 2016

## Newberg Study Area Zoning, Exclusion Areas and Constraints



# Priority of Land for Inclusion in UGB

1. Urban reserve, exception land, and nonresource land
2. Marginal land
3. Forest or farm land that is not predominantly high-value farmland
4. Farmland that is predominantly high-value farmland

With >4000 ac of exceptions areas, lower priority is difficult

# UGB Study Area: Statistics

- More than 19,800 acres in 1.5-mile study area (does not include URA)
- 4,325 acres in exceptions areas
- Few lots over 20 acres in exceptions areas

Lot Size (Ac)	Resource			Exceptions			Total		
	Tax Lots	Acres	% of Acres	Tax Lots	Acres	% of Acres	Tax Lots	Acres	% of Acres
<=1	89	41	1%	216	122	3%	305	164	2%
> 1 and <2	58	67	1%	250	368	9%	308	435	4%
>=2 and <5	121	206	4%	612	1,797	42%	733	2,003	20%
>=5 and <10	106	523	9%	138	968	22%	244	1,491	15%
>=10 and <20	124	955	17%	60	784	18%	184	1,738	18%
>=20 and <50	89	1,720	31%	6	178	4%	95	1,898	19%
>=50	29	2,024	37%	1	107	2%	30	2,131	22%
<b>Total</b>	<b>616</b>	<b>5,536</b>	<b>100%</b>	<b>1,283</b>	<b>4,325</b>	<b>100%</b>	<b>1,899</b>	<b>9,860</b>	<b>100%</b>

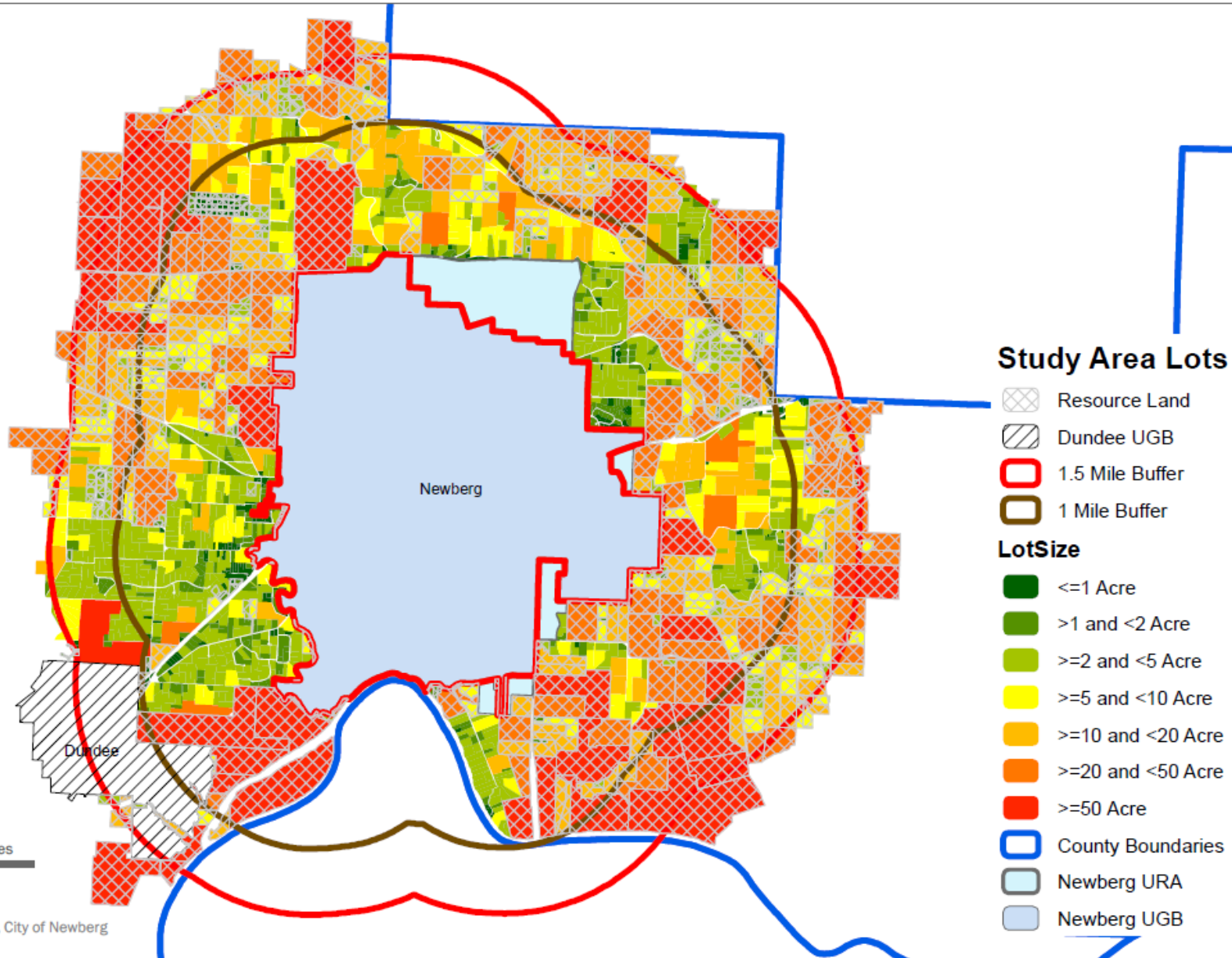
# Study Area

## Study Area Lots by Zoning and Classification

Development Status	Tax Lots	Total Acres	Developed Acres	Slope 25% or over		Slope 10% or Over	
				Constrained Acres	Suitable Acres	Constrained Acres	Suitable Acres
<b>Resource Lands</b>							
Developed	21	9	7	2	0	2	0
Partially Vacant - <2 ac	16	27	8	2	17	5	14
Partially Vacant - >=2 ac	184	3,724	92	480	3,152	1,127	2,505
Vacant	183	2,012	0	284	1,728	546	1,466
<b>Subtotal</b>	<b>404</b>	<b>5,772</b>	<b>107</b>	<b>768</b>	<b>4,897</b>	<b>1,680</b>	<b>3,985</b>
<b>Exceptions Areas</b>							
Developed	145	93	82	11	0	20	-9
Partially Vacant - <2 ac	219	320	104	69	147	113	103
Partially Vacant - >=2 ac	727	3,342	338	788	2,215	1,669	1,335
Vacant	202	582	0	153	429	304	278
<b>Subtotal</b>	<b>1293</b>	<b>4,337</b>	<b>525</b>	<b>1,021</b>	<b>2,791</b>	<b>2,106</b>	<b>1,706</b>
<b>TOTAL</b>	<b>1,697</b>	<b>10,109</b>	<b>632</b>	<b>1,789</b>	<b>7,688</b>	<b>3,786</b>	<b>5,691</b>

# NEWBERG BLI 2016

## Newberg Study Area - Lot Size

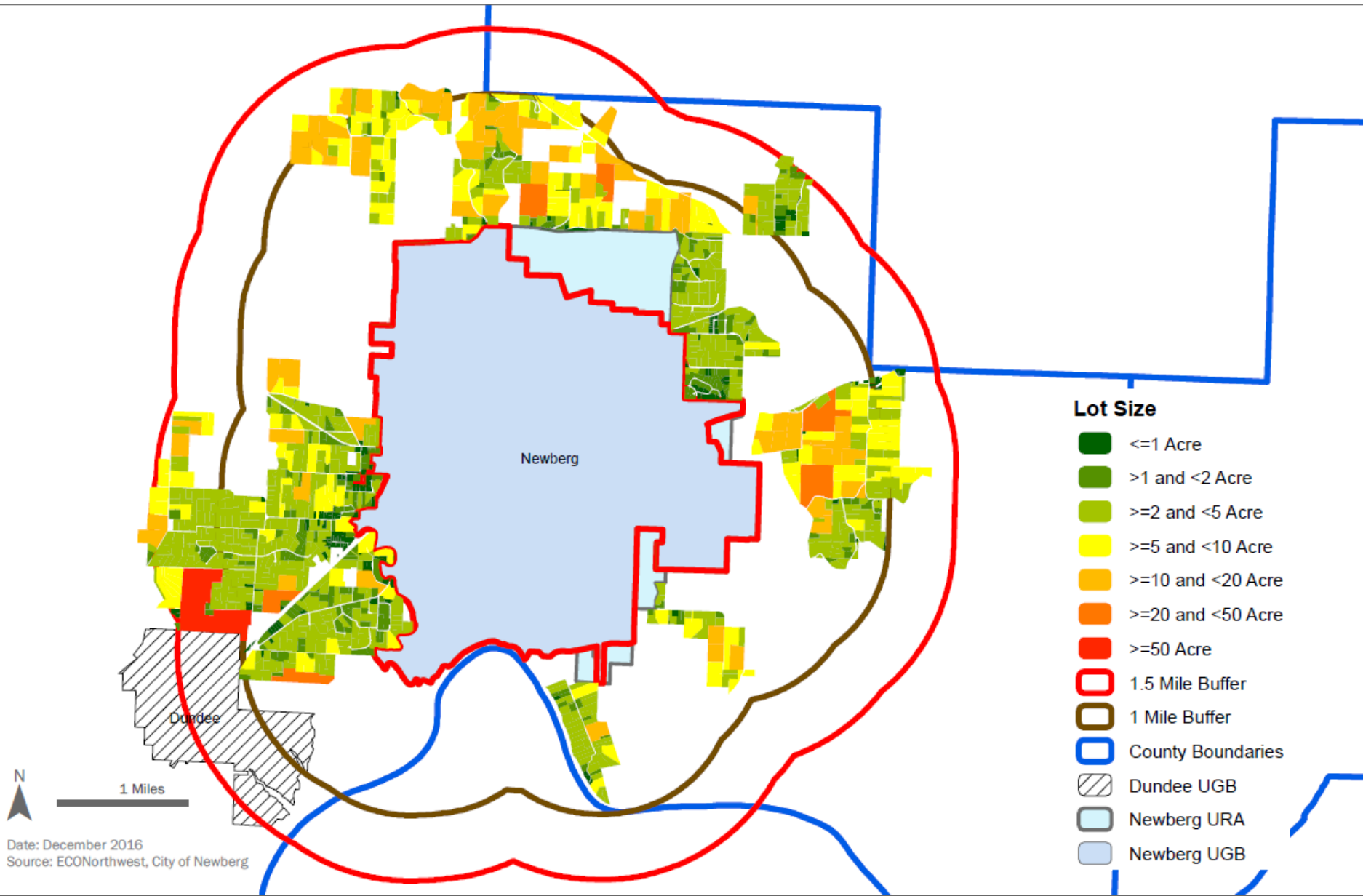


N  
1 Miles

Date: December 2016  
Source: ECONorthwest, City of Newberg

# NEWBERG BLI 2016

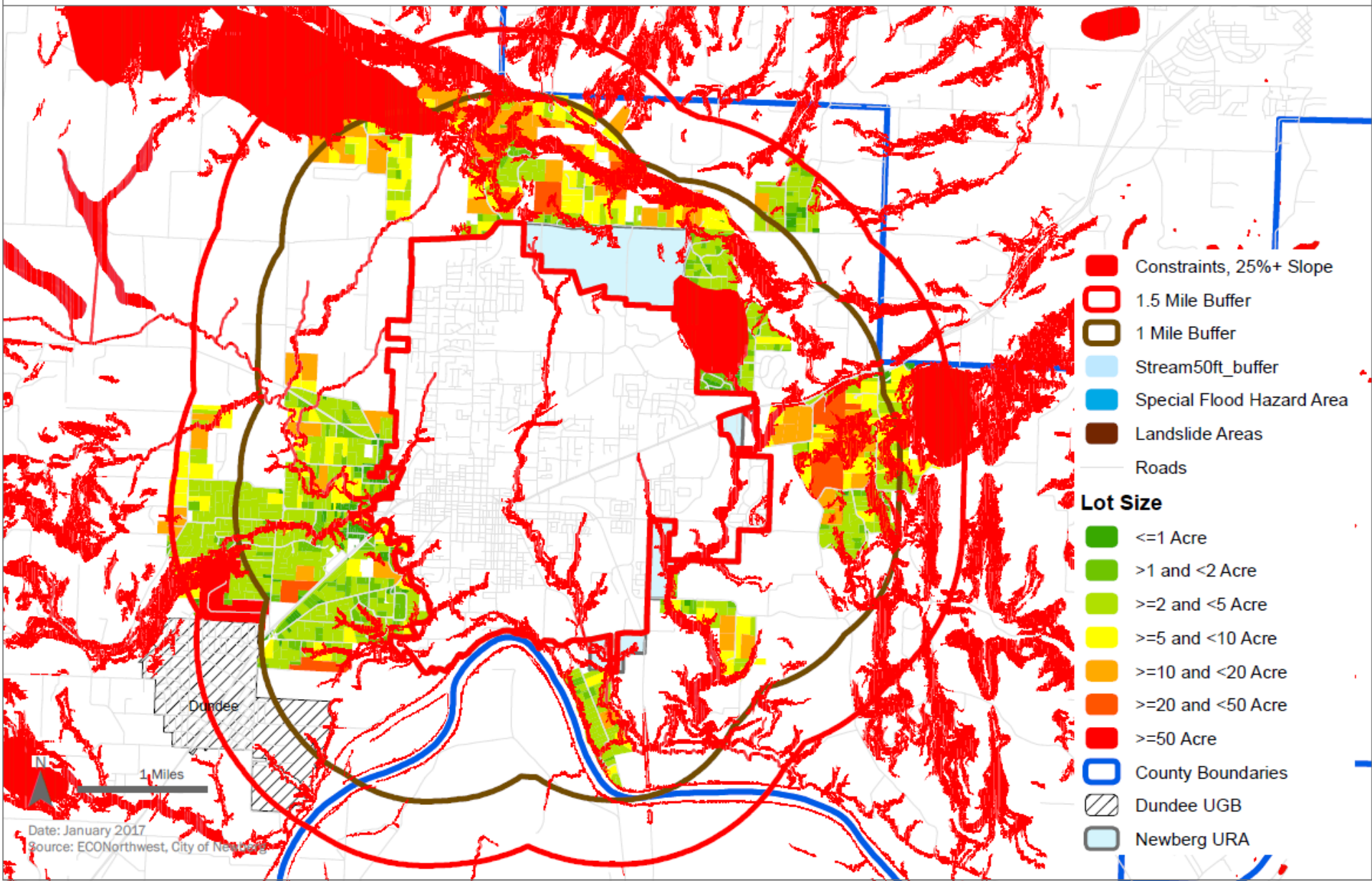
## Newberg Study Area - Exceptions Areas by Lot Size





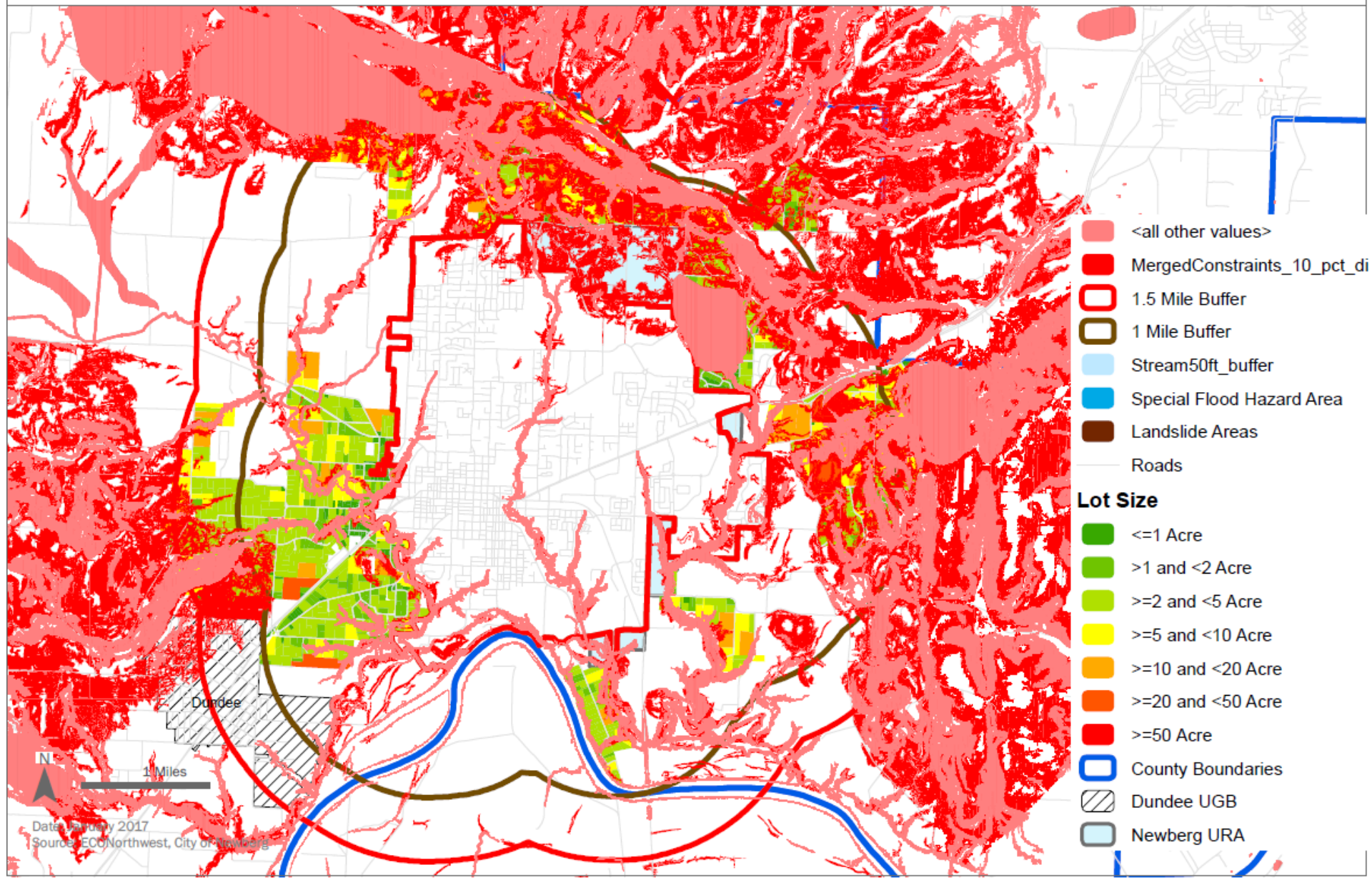
# NEWBERG BLI 2016

## Newberg Study Area - Exceptions Areas by Lot Size



# NEWBERG BLI 2016

## Newberg Study Area - Exceptions Areas by Lot Size



# Issues with the Division 38 BLI Rule

- Split Plan Designations
  - The rule provides no guidance on split designations

# Deduction of constraints

- The rule creates complicated, inconsistent standards
  - Some constraints get 100% deduction, others 50%, others what the local code allows. This results in very complex GIS operations
  - Rationale for  $\frac{1}{2}$  acre lake/water deduction? Typically all water would be deducted. This requires additional GIS operations.
  - Floodplain constraints—different standard for residential and employment lands

# Deduction of constraints

- (d) With respect to **needed industrial uses only, the land is over 10 percent slope**, as measured in the manner described in OAR 660-038-0160(5); is an **existing lot or parcel that is smaller than 5 acres** in size; or both.
  - Not clear why the BLI would treat slope differently inside and outside, or based on lot size.

# Public lands with residential plan designations

- Newberg has about 70 acres of public lands with residential plan designations



# Developed employment land

The rule does establish a clear threshold for employment lands to be considered developed or committed. OAR 660-038-0110

- (a) A city may assume that a lot or parcel is vacant if the real market improvement value is less than \$5,000 or if the real market improvement value is less than or equal to 5 percent of the real market land value.
- (b) A city may assume that a lot or parcel is partially vacant if either:
  - (A) The real market improvement value of the lot or parcel is greater than five percent and less than 40 percent of the real market land value, in which case, the city must assume that 50 percent of the lot or parcel is developed and 50 percent is vacant, or
  - (B) Based on an orthomap, the lot or parcel is greater than one acre in size and at least one-half acre is not improved.
- (c) A city may assume that a lot or parcel is developed if the real market improvement value is greater than or equal to 40 percent of the real market land value.



# Partially vacant employment land

- *The real market improvement value of the lot or parcel is greater than five percent and less than 40 percent of the real market land value, in which case, the city must assume that 50 percent of the lot or parcel is developed and 50 percent is vacant.*



# Errors/anomalies in County Assessment data

- Residential land with improvement value less than \$10,000 and great than 3,000 SF
- The Yamhill County Assessor consistently assessed certain residential lands as \$0 improvement



# Condo common areas

- Residential land with improvement value less than \$10,000 and great than 3,000 SF



# Classification of lands in the UGB study area

- The rule provides vague guidance for classification of land in the UGB study area
  - No definition of “developed”

- Standardize Data Sources. Many key data sources could be standardized:
  - Slope – 25% and 10%
  - Waterways
  - Floodplain
  - Wetlands
- Determination of slopes using contour data
  - Our GIS expert indicates DEMs are the typical source data. We used a LiDAR data set for Newberg

**Table 14. All Land by Classification, Division 38 Method and Standard Method, Newberg UGB**

<b>Classification</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Buildable Acres</b>
<b>Division 38 Method</b>					
Developed	6,275	1,362	1,323	40	0
Partially Vacant	389	1,047	300	139	608
Vacant	487	654	0	75	579
Public	215	688	617	71	0
<b>Total</b>	<b>7,366</b>	<b>3,751</b>	<b>2,240</b>	<b>324</b>	<b>1,187</b>
<b>Standard Method</b>					
Developed	6,569	1,860	1,768	92	0
Partially Vacant	169	515	85	72	358
Vacant	277	492	3	47	443
Public	351	884	770	113	0
<b>Total</b>	<b>7,366</b>	<b>3,751</b>	<b>2,626</b>	<b>324</b>	<b>801</b>
<b>Difference</b>					
Developed	-294	-498	-446	-52	0
Partially Vacant	220	532	216	66	250
Vacant	210	162	-3	28	136
Public	-136	-196	-153	-42	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>-386</b>	<b>0</b>	<b>386</b>

<b>Generalized Plan Designation</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Buildable Acres</b>
<b>Division 38 Method</b>					
<b>Residential</b>					
LDR	349	728	80	82	565
MDR	264	423	42	70	311
HDR	52	94	9	8	76
Subtotal	665	1,244	132	160	952
<b>Employment</b>					
Commercial	155	164	13	5	146
Industrial	55	282	144	49	89
Subtotal	210	446	157	54	235
<b>Total</b>	<b>875</b>	<b>1,690</b>	<b>289</b>	<b>214</b>	<b>1,187</b>
<b>Standard Method</b>					
<b>Residential</b>					
LDR	280	644	66	72	506
MDR	77	149	7	34	108
HDR	11	15	3	1	12
Subtotal	368	809	76	107	625
<b>Employment</b>					
Commercial	48	140	6	8	126
Industrial	30	58	5	4	50
Subtotal	78	198	11	12	176
<b>Total</b>	<b>446</b>	<b>1,007</b>	<b>87</b>	<b>119</b>	<b>801</b>
<b>Difference</b>					
<b>Residential</b>					
LDR	69	83	14	10	59
MDR	187	273	35	35	203
HDR	41	78	7	7	64
Subtotal	297	435	55	53	327
<b>Employment</b>					
Commercial	107	24	7	-3	20
Industrial	25	224	139	45	39
Subtotal	132	247	146	42	59
<b>Total</b>	<b>429</b>	<b>683</b>	<b>202</b>	<b>95</b>	<b>386</b>

# Comparison of Div 38 and Std result

---

## Difference

### Residential

LDR	69	83	14	10	59
MDR	187	273	35	35	203
HDR	41	78	7	7	64
Subtotal	297	435	55	53	327

### Employment

Commercial	107	24	7	-3	20
Industrial	25	224	139	45	39
Subtotal	132	247	146	42	59
<b>Total</b>	<b>429</b>	<b>683</b>	<b>202</b>	<b>95</b>	<b>386</b>

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# Conclusion

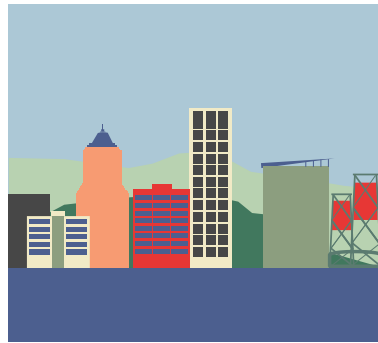
- **The simplified BLI method is not simple**
  - In many respects it is more complicated than a standard BLI method
  - Many areas are still unclear
  - Provides no consideration for data errors and exceptions (nor was it intended to)
- Results prove unworkable for Newberg in our view

# ECONorthwest

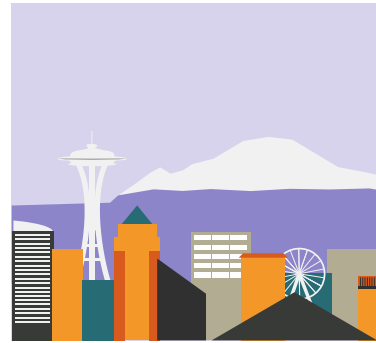
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Eugene



Portland



Seattle



Boise

Doug,

Thank you again for sending the draft Buildable Lands Inventory and requesting my feedback. I understand that the draft is still very much a work in progress and I appreciate the opportunity to provide comment at this stage. Since you have presented the draft to DLCD as well, I am copying Gordon and Angela.

Before going through specific page by page comments, a few general comments:

On the issue of Division 38 vs. a “traditional inventory.” Eco makes some good points as to areas where the rule may need some fine-tuning, but in general, many of the criticisms seem to be mis-placed.

The draft has some apparent internal inconsistencies that need to be either resolved or explained.

### Specific comments

**p. 1:** I support Newberg’s intention, “to pursue the boundary amendment ... using the Division 38 (OAR 660-038) simplified urban growth boundary method.” While use of the streamlined method does not resolve all potential issues with a UGB amendment, especially with respect to which lands are included, it greatly reduces the prospect for extended arguments and appeals regarding the more technical issues of how much land is available and how much land is needed. This is especially so when compared to what I and “Friends” view as the overly-aggressive approach previously taken by the city which resulted in numerous remands.

**p. 10- Table 3:** It is not clear from Table 3 how the 487 acres covered by the Springbrook Master Plan and the 196 acres zoned for Mixed-Use were categorized nor does that acreage seem to show up in subsequent tables. However, some of these lands appear as residential, commercial and industrial land on subsequent maps. The document would benefit from a paragraph explaining the break-down of how these lands are inventoried along with needed revisions, if any, to the subsequent summary tables.

As noted below, the acreages in Table 3 are not consistent with the acreage totals in subsequent tables. To the extent this is due to the inclusion of roads in table 3, this should; be explained, along with any assumptions used. Also, the 707 acres of public land is not consistent with the 677 acres of public land listed in table 2.

**p. 13- Tables 4 and 5:** The total residential acreage (2,192 acres), as well as the acreages by specific density class, does not match the total in Table 3 (2,272 acres). This apparent inconsistency should be explained in the text of the document or resolved. In addition, it is also not clear whether it includes any residential land covered by the Springbrook Master Plan or zoned for Mixed-Use.

**P. 18- Table 7:** The total commercial acreage (381 acres) does not match the figure in Table 3 (281 acres). This apparent inconsistency should be explained in the text of the document or resolved. In addition, it is also not clear whether it includes any land covered by the Springbrook Master Plan or zoned for Mixed-Use.

**p. 22- Table 8.** The total industrial acreage (479 acres) does not match the figure in Table 3 (533 acres). This apparent inconsistency should be explained in the text of the document or resolved. In addition, it is also not clear whether it includes any land covered by the Springbrook Master Plan.

**p. 25:** The following sentence is a fragment that needs completion. “The 10% slope is significant as Division 38 allows cities to assume that lands with contiguous areas over 10% slope in tax lots smaller than 5 acres.”

**pp. 26-27:** In evaluating land for inclusion within the UGB, the rule states in part:

*(a) Existing parcelization, lot sizes or development patterns of rural residential land make that land unsuitable for an identified employment need, as follows:*

*(A) Parcelization: the land consists primarily of parcels 2-acres or less in size, or*

*(B) Existing development patterns: the land cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure.*

First, it is not clear from the text in the draft EOA that ECO recognized that the rule only applies to the evaluation of land for employment, especially given subsequent text on p. 39. If ECO *did* recognize that, it is not clear why they applied the criteria they developed to all land in URA’s and other UGB study areas.

Beyond that, the rule provides two paths to determine unsuitability- *parcelization* or *existing development patterns*.

The draft BLI notes the lack of guidance and vague direction. The rule gives clear regarding parcelization and lot sizes- *“the land consists primarily of parcels 2-acres or less in size.”*

The draft BLI is correct regarding the lack of guidance regarding *“existing development patterns... due to the location of existing structures and infrastructure.”* This may indeed be an area where the rule would benefit by fine-tuning. I’m not necessarily criticizing the criteria used by ECO- they seem reasonable enough. However, they speak by only to parcel size and improvement value; not to the *location* of anything.

**p. 30:** The draft text states that “Very little of the land in the URAs would be considered suitable for industrial uses.” Areas that *are* suitable per Map 13 on p. 31 include almost the entire S. Springbrook, the buildable portion of the Wyooski URA, and an area within the North Hills URA.

**p. 30- Table 10 and text that follows:** The suitable acre total in Table 10 (461 acres) is not consistent with the text that immediately follows (342 buildable acres). The discrepancy should be explained or resolved.

**p. 30- Table 11:** The Table, its headings, and the data within it are confusing. I cannot understand it.

**p. 32:** There is an apparent typo in the third sentence on the page. “The results show that over 40% of the 9,860 buildable acres ~~in~~ *outside of* URAs are in lots of 20 acres or larger.”

**p. 32- Table 12:** “Constraint Status and Housing Capacity” should be deleted from the table caption since the table does not address them.

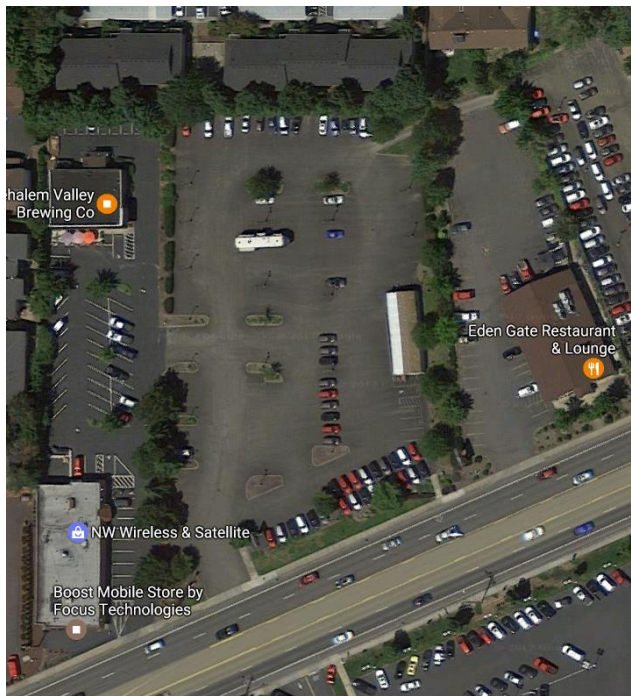
**p. 36- Division 38 vs. “Traditional” BLI:** Use of the streamlined UGB rules includes trade-offs. In return for the greater certainty that comes with the more prescriptive rules, a city foregoes the “opportunity” to include more land that may be more difficult to justify. Because the Division 38 rules leave less discretion, there will almost always be examples of some parcels that were misclassified one way or the other, but that is the nature of a streamlined” process. I support the use of the Division 38 rules in Newberg and believe they present an opportunity to move past years of litigation and appeals, while allowing the city an opportunity to meet its legitimate needs and obligations to provide for future growth.

**p. 36- Split plan designations:** The draft raises a good point and the city and ECO have addressed it in what seems to be a reasonable manner. This may also an area where the rule would benefit by fine-tuning.

**p. 37- Public Lands with residential plan designations.** This is not an issue in Newberg. In other cities where it may arise, it may be appropriate to inventory some public land as commercial or residential since schools municipal offices, etc. absorb employment and public housing, dormitories, and other institutions absorb population.

**pp. 37-38- Partially Vacant Employment Land.** ECO has given two examples of lots they believe are misclassified as partially vacant under the rule that, but there are, of course, compelling examples on the other side as well.

The nearly empty used car lot between the Eden Gate and Chehalem brewing was classified as fully developed by Newberg’s “traditional” BLI and EOA, but is properly classified as partially vacant under the Division 38 rules:



The new building that houses the new Starbucks and ATT wireless at Elliott and Portland Roads sits on a previously under-developed lot that was classified as fully developed in Newberg’s “traditional” BLI and EOA. That classification was clearly wrong since the existing structure was torn down and replaced with a more intensive use:



**P 38- Errors/Anomalies in County Assessment Data:** ECO points to what they believe are erroneous County Assessment data of \$0 improvement value as a fault with the rule. The photo they give as an example includes the Assisted Living Facility and the Chehalem Springs Assisted Living Facility. It appears that ECO is mistaken and that revisions to the acreages in the draft BLI are warranted. Per County data, these assisted living facilities have a combined real market improvement value of almost \$24,000,000, not \$0. See attached county assessor tax accounts.

Even if there were errors in the county data, (and it seems that ECO is wrong about this), that is not a problem with the rule; it is a problem with the county. Traditional Buildable Land Inventories, including ones prepared by ECO, also use improvement value to classify lots as developed, partially developed, or vacant.

**p. 39- Condo common areas:** This may be an area where the rule would benefit from fine-tuning, but it is not clear that there are extensive acreages of condo common areas in Newberg.

**p. 39 Classification of lands in UGB study area:** Eco believes the rule uses vague criteria for determining whether land in the UGB study area is vacant, partially vacant, or developed. The rule is not vague:

For employment land, *“lot sizes or development patterns of rural residential land make that land unsuitable for an identified employment need, as follows: (A) Parcelization: the land consists primarily of parcels 2-acres or less in size.”* That is not vague. It is a clear and objective standard.

For vacant or partially vacant lands added to the UGB to provide for residential uses:

*“Existing lots or parcels one acre or less may be assumed to have a development capacity of one dwelling unit per lot or parcel. Existing lots or parcels greater than one acre but less than two acres shall be assumed to have an aggregate development capacity of two dwelling units per acre.”*

Neither of these standards are vague; they are clear and objective.

ECO also criticizes the incorporation within the Division 38 rule of thresholds from UO research that are more stringent than those in Division 24. The Division 38 rule reflects what the research found to be actually occurring and the research team included the ECONorthwest’s Senior Project Director.

**p. 41- Comparison to previous 2009 BLI and 2013 EOA:** In comparing buildable land to the 2009 BLI and the 2013 EOA, the draft fails to note three critical pieces of information: (1) The 2009 BLI was remanded by LUBA in part because it improperly discounted and eliminated land without adequate justification; (2) the 2013 EOA was remanded by LCDC in part because of defects in the employment land inventory; and (3) the city has both annexed land and upzoned land since the 2009 and 2013 documents.

**p. 41- Eco’s Recommendation.** Eco states that they cannot recommend use of the streamlined UGB process because of the greater amount of residential land considered to have development potential under those rules. But those criticisms rest, at least in part, on an apparently erroneous reading of county assessor data, comparisons to an older BLI and EOA that were remanded, and an apparent assumption that a UGB amendment based on the “flexibility” of a “traditional” BLI to discount the potential of some of that land is both desirable and will survive the greater scrutiny it will receive.



02011

02019

03900

East Hayes Street

ROADS

Providence Drive

02012

32

02020

02021

02022

06502

00600

00400

3.2.21BA

05900

Oak Meadows Loop

06800

06900

06503

06504

04000

06700

Werth Boulevard

06600

06505

16C D

00101

00102

00103

00104

00105

00106

00107

North Br





# Yamhill County, Oregon

"In the heart of the Willamette Valley"

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## Pay Your Taxes Online

Search Again

### Account Info:

Account No **520696**  
Map/Tax Lot Number **R3216 02012**  
**i** Property Class **7016**  
**i** Tax Code Area **29.0**  
Property Status **ACTIVE**  
Associated Pin

### Owner Info:

Property Owner **RESIDENT**  
Situs Address **3802 E HAYES ST**  
Owner Mailing Address **6737 W WASHINGTON ST STE 2300 MILWAUKEE WI 53214**

### Property Info:

Year Built	Acres/ Lot Sq Ft	Square Footage	Number of Bedrooms	Number of Bathrooms	Stories
<b>0000</b>	<b>215996.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>

Data Current as of: **Mar 3, 2017**

<b>i</b> Market Land Value	<b>\$1,335,268</b>
<b>i</b> Market Structure Value	<b>\$9,806,352</b>
<b>i</b> Total RMV	<b>\$11,141,620</b>
<b>i</b> Total Assessed Value	<b>\$9,785,568</b>
Exemption	<b>\$0</b>
Net Taxable	<b>\$9,785,568</b>
2016-2017 Levied Tax	<b>\$168,497.70</b>
Account Balance	<b>\$0.00</b>

# Pay Your Taxes Online

Search Again

## Account Info:

Account No **520693**  
Map/Tax Lot Number **R3216 02011**  
**i** Property Class **7016**  
**i** Tax Code Area **29.0**  
Property Status **ACTIVE**  
Associated Pin

## Owner Info:

Property Owner **RESIDENT**  
Situs Address **3801 E HAYES ST #A**  
Owner Mailing Address **222 ROBERT ROSE DR MURFREESBORO TN 37129**

## Property Info:

Year Built	Acres/ Lot Sq Ft	Square Footage	Number of Bedrooms	Number of Bathrooms	Stories
<b>0000</b>	<b>216689.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>

Data Current as of: **Mar 3, 2017**

**i** Market Land Value **\$1,313,418**  
**i** Market Structure Value **\$8,187,568**  
**i** Total RMV **\$9,500,986**  
**i** Total Assessed Value **\$9,226,235**  
Exemption **\$0**  
Net Taxable **\$9,226,235**  
2016-2017 Levied Tax **\$158,015.84**  
Account Balance **\$0.00**

# Pay Your Taxes Online

Search Again

## Account Info:

Account No **542182**  
Map/Tax Lot Number **R3221 06800**  
**i** Property Class **2016**  
**i** Tax Code Area **29.0**  
Property Status **ACTIVE**  
Associated Pin

## Owner Info:

Property Owner **RESIDENT**  
Situs Address **317 WERTH BLVD**  
Owner Mailing Address **7420 BRIDGEPORT RD NO 105 PORTLAND OR 97224**

## Property Info:

Year Built	Acres/ Lot Sq Ft	Square Footage	Number of Bedrooms	Number of Bathrooms	Stories
<b>0000</b>	<b>3.07</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>

Data Current as of: **Mar 3, 2017**

<b>i</b> Market Land Value	<b>\$1,199,444</b>
<b>i</b> Market Structure Value	<b>\$4,156,356</b>
<b>i</b> Total RMV	<b>\$5,355,800</b>
<b>i</b> Total Assessed Value	<b>\$3,264,198</b>
Exemption	<b>\$0</b>
Net Taxable	<b>\$3,264,198</b>
2016-2017 Levied Tax	<b>\$56,206.24</b>
Account Balance	<b>\$0.00</b>

# Pay Your Taxes Online

Search Again

## Account Info:

Account No **542170**

Map/Tax Lot Number **R3216 02019**

 Property Class **7016**

 Tax Code Area **29.0**

Property Status **ACTIVE**

Associated Pin

## Owner Info:

Property Owner **RESIDENT**

Situs Address **4061 E HAYES ST**


Owner Mailing Address **1301 E FULTON ST NEWBERG OR 97132**

## Property Info:

Year Built	Acres/ Lot Sq Ft	Square Footage	Number of Bedrooms	Number of Bathrooms	Stories
<b>0000</b>	<b>7.79</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>

Data Current as of: **Mar 3, 2017**

 Market Land Value **\$3,841,273**

 Market Structure Value **\$1,571,508**

 Total RMV **\$5,412,781**

 Total Assessed Value **\$2,251,249**

Exemption **\$0**

Net Taxable **\$2,251,249**

2016-2017 Levied Tax **\$38,764.24**

Account Balance **\$0.00**

# Newberg 2030

## Technical Advisory Committee Meeting

March 21, 2017, 1:30 PM  
Newberg City Hall  
414 E First Street, Newberg, OR 97132

### Agenda

1. Review of Final Draft Buildable Land Inventory and Preliminary UGB Study Area.
  
2. Next steps:
  - a. Consultant finalize Task 2 - BLI and Task 3 - UGB Study Area – Submit report to DLCD by March 21, 2017.
  - b. City staff & CPC begin work on Task 4 (action plan and implementation policies).

# Newberg 2030

## Technical Advisory Committee Meeting

March 21, 2017, 1:30 PM  
Newberg City Hall  
414 E First Street, Newberg, OR 97132

### Attendance:

Doug Rux, Bob Parker, Angela Carnahan, Pat O'Connor, Rob Hallyburton

### Agenda & Summary

#### 1. Final Draft Buildable Land Inventory and Preliminary UGB Study Area

Bob Parker presented the Buildable Lands Inventory (BLI) and UGB Study Area. The presentation included:

- Study Area boundary included three counties – Yamhill, Marion and Washington
- The Yamhill County Assessor has identified roads as polygons and that issue had to be addressed.
- Contours are an old methodology and for purposes of the analysis LIDAR was used.
- Discussion on the Springbrook District and that the Springbrook District Village was given a plan designation as commercial even though the area is mixed use and will only have about 3-4 acres of actual commercial so that the identification of commercial land may be overstated and residential understated.
- Split plan designations were discussed and are not addressed in Division 38 but the City addressed the issue and split out parcels that have split plan designations to be as accurate as possible in the inventory.
- The Dundee UGB still needed to be cleaned up in the analysis.
- The Bypass issue was discussed for Phase 2 and that it could not be factored into the analysis for lands within and outside of the UGB even though there is a FEIS, Record of Decision (ROD), has an established corridor, and funds have been allocated by ODOT to do preliminary ROW acquisition which is underway. This dynamic is not addressed by Division 38.
- Discussions on 660-038-0060 and 660-038-170 and the interpretation of what is considered vacant and partially vacant. Examples provided that public uses such as schools in LDR are classified as partially vacant. Broad discussion on interpretation of language in Division 38 and could that language be cleaned up.
- Noted that manufactured home parks come up classified as partially vacant based on Division 38 and County assessment data.
- Noted that for MDR designations had to use orthophoto review.

- Discussion on industrial lands and the WestRock mill site being designated as partially vacant.
- Reviewed Urban Reserve areas and what the analysis concluded.
- General discussion on UGB Study Area and that Marion County (across Willamette River), landslide areas, flood areas and Dundee UGB were excluded.
- Discussed exclusion areas and constraints, exception areas and resource lands. Reviewed the issue of parcels smaller than 2 acres and the Division 38 language on the word “primarily” and how that might be interpreted in excluding parcels smaller than 2 acres.
- Reviewed and discussed issues with Division 38 including split designations, public uses on residential plan designations, partially vacant employment lands, errors and anomalies with County assessment data, condo common areas, and how to categorize. Further details are in the Final Draft Buildable Lands Inventory document.
- Review of Sid Friedman’s communication to the CPC.
- Clarified that the Standard BLI analysis came past BLI practices around the State and how the information was generated (not based on 2009 BLI or the 2012 EOA). Separate memo was prepared on the comparison of the Standard BLI and Simplified BLI for the City.
- Discussion on process for possible OAR Division 38 revisions. It was noted rule making agenda starts in September. It was noted there are technical amendments initiated by Legislature and DLCD staff initiated amendments which can be done without an advisory committee and have no material changes to an OAR. DLCD starts the preliminary process at end of July.
- Discussion on technical assistance grants for the next round of analysis.
- Question if IFA funds might be available for future analysis, Stayton used this tool.
- Discussion about providing a memo to DLCD staff to request OAR Division 38 modifications. Doug will talk with Sid from Friends of Yamhill County to see if they may also request modifications based on Sid’s written comments that there are some fixes that have been identified.
- Question if BLI could be standardized for both Division 24 and 38 and get the same protection as for Division 30

## 2. Next steps:

- a. Consultant finalize Task 2 – BLI and Task 3 – UGB Study Area – Submit report to DLCD by March 21, 2017.
- b. City staff and CPC begin work on Task 4 (action plan and implementation policies).

Newberg 2030  
Technical Advisory Committee  
March 21, 2017

See Attachment 6 for packet materials and handouts



# Newberg 2030

## Citizen Planning Committee Meeting

March 21, 2017, 3:30 PM

Newberg City Hall

414 E First Street, Newberg, OR 97132

### **Attendance:**

Curt Walker, Brett Baker, Ryan Howard, Lisa Rogers, Claudia Stewart, Larry Hampton, Todd Engle, Mike Gougler, Brian Doyle, Doug Rux, Bob Parker

### **Agenda & Summary**

1. Review of Final Draft Buildable Land Inventory and Preliminary UGB Study Area.
  
2. Next steps:
  - a. Consultant finalize Task 2 - BLI and Task 3 - UGB Study Area – Submit report to DLCD by March 21, 2017.
  - b. City staff & CPC begin work on Task 4 (action plan and implementation policies).

# Newberg 2030

## Citizen Planning Committee Meeting

March 21, 2017, 3:30 PM  
Newberg City Hall  
414 E First Street, Newberg, OR 97132

### Attendance:

Curt Walker, Brett Baker, Ryan Howard, Lisa Rogers, Claudia Stewart, Larry Hampton, Todd Engle, Mike Gougler, Brian Doyle, Doug Rux, Bob Parker

### Agenda & Summary

#### 1. Final Draft Buildable Land Inventory and Preliminary UGB Study Area

Bob Parker presented the Buildable Lands Inventory (BLI) and UGB Study Area. The presentation included:

- Study Area boundary included three counties – Yamhill, Marion and Washington
- Discussion on the Springbrook District and that the Springbrook District Village was given a plan designation as commercial even though the area is mixed use and will only have about 3-4 acres of actual commercial so that the identification of commercial land may be overstated and residential understated.
- Split plan designations were discussed and are not addressed in Division 38 but the City addressed the issue and split out parcels that have split plan designations to be as accurate as possible in the inventory.
- Noted that manufactured home parks come up classified as partially vacant based on Division 38 and County assessment data.
- Noted that for MDR designations had to use orthophoto review.
- Discussion on industrial lands and the WestRock mill site being designated as partially vacant.
- General discussion on UGB Study Area and that Marion County (across Willamette River), landslide areas, flood areas and Dundee UGB were excluded.
- Discussed exclusion areas and constraints, exception areas and resource lands. Reviewed the issue of parcels smaller than 2 acres and the Division 38 language on the word “primarily” and how that might be interpreted in excluding parcels smaller than 2 acres.
- Reviewed and discussed issues with Division 38 including split designations, public uses on residential plan designations, partially vacant employment lands, errors and anomalies with County assessment data, condo common areas, and how to categorize. Further details are in the Final Draft Buildable Lands Inventory document.

# Newberg 2030 Project

- Review of Sid Friedman’s communication to the CPC.
- Clarified that the Standard BLI analysis came past BLI practices around the State and how the information was generated (not based on 2009 BLI or the 2012 EOA). Separate memo was prepared on the comparison of the Standard BLI and Simplified BLI for the City.
- Reviewed Urban Reserve areas and what the analysis concluded.
- General questions were asked regarding:
  - How is partially vacant determined? By Division 38
  - Should the Allison actually be classified as commercial? Yes
  - Why was the WestRock property identified as partially vacant? Based on the requirements in Division 38
  - Why is the City’s Waste Water Treatment Plan identified as vacant? It has no improvement value according to the County Assessor as it is under public ownership.
  - Are we locked into the Division 38 process? No, data gather could be used for a Division 24 process but we would have to do a Housing Needs Assessment and an Economic Opportunities Analysis.
  - Why is Division 38 so complicated?
  - Why are we not spending the dollars on solving problems from the past? City Council withdrew the prior UGB request.
  - Have we predetermined that we need to expand onto resource land? No this is only data that is being shared.
- General comments that the City has spent a lot of human capital and dollars for an analysis that seems to have some structural problems with the rule.
- Discussion on population number and when it would be available. The preliminary number is out and the final number will come by the end of June 2017.
- The CPC generally discussed options moving forward such as:
  - Should we wait and let another community go through the entire Division 38 process?
  - Should we continue down the Division 38 process as is or after technical fixes have been made to the OAR?
  - Should we switch and use the Division 24 process?

## 2. Next steps:

- a. Consultant finalize Task 2 – BLI and Task 3 – UGB Study Area – Submit report to DLCD by March 31, 2017.
- b. City staff and CPC begin work on Task 4 (action plan and implementation policies).

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# Newberg Buildable Lands Inventory

March 2017

Prepared for:  
City of Newberg

**FINAL DRAFT REPORT**

**ECONorthwest**  
ECONOMICS • FINANCE • PLANNING

KOIN Center  
222 SW Columbia Street  
Suite 1600  
Portland, OR 97201  
503.222.6060

ECONorthwest prepared this report for the City of Newberg. Newberg provided key geographic information system (GIS) data sets necessary for the inventory. All analysis conducted by ECONorthwest

**City of Newberg**

Douglas Rux, Community Development Director

**Consulting Staff**

Bob Parker, AICP, Project Director, ECONorthwest

Beth Goodman, Project Manager, ECONorthwest

For over 40 years ECONorthwest has helped its clients make sound decisions based on rigorous economic, planning, and financial analysis. For more information about ECONorthwest: [www.econw.com](http://www.econw.com). For more information about this report, please contact:

Douglas Rux  
Community Development Director  
City of Newberg  
414 E. First Street  
Newberg, OR, 97132  
Phone: 503-537-1212  
[Doug.Rux@newbergoregon.gov](mailto:Doug.Rux@newbergoregon.gov)

Robert Parker  
ECONorthwest  
222 SW Columbia, Suite 1600  
Portland, OR 97201  
503-222-6060  
[parker@econw.com](mailto:parker@econw.com)

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Draft

# 1. Introduction

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The City of Newberg (City) is preparing to evaluate the sufficiency of lands within its Urban Growth Boundary (UGB). That process has two steps: (1) documentation of land needed for housing, employment and public facilities; and (2) documentation of land supply. Because the City is preparing for a UGB amendment, lands outside the UGB must also be inventoried. Newberg may pursue the boundary amendment in the second half of 2017 or first half of 2018 using the Division 38 (OAR 660-038) simplified urban growth boundary method. As an initial step in the process, the City contracted ECONorthwest to prepare a buildable lands inventory (BLI) that complies with applicable state statutes and administrative rules through a Technical Assistance Grant from the Oregon Department of Land Conservation and Development (DLCD) as part of a pre-UGB evaluation process as part of Division 38 (OAR 600-038 requirements).

The requirements for establishment of a UGB are defined in Statewide Planning Goal 14. The Goal 14 Oregon Administrative Rule (OAR 660-024) provides specific guidance with respect to the adoption and amendment of UGBs. In 2015, however, the Land Conservation and Development Commission (LCDC) developed a new administrative rule that created a simplified pathway for boundary reviews, which is codified as OAR 660-038 (Simplified Urban Growth Boundary Method). At this time through the DLCD grant, Newberg is evaluating the Division 38 simplified method subject to the analysis of the BLI of and direction provided by the Newberg City Council. That method provides detailed guidance on how buildable land inventories must be completed.

Thus, the legal requirements that govern the BLI for the City of Newberg are defined in OAR 660-038. Relevant sections include:

- **660-038-0060 - Buildable Lands Inventory (BLI) for Residential Land within the UGB.** A city must determine the supply and development capacity of lands within its UGB by conducting a buildable lands inventory (BLI) as provided in this rule.
- **660-038-0070 - Adjust Residential Lands Inventory to Account for Constrained Lands.** A city must adjust the inventory of residential lands prepared under OAR 660-038-0060 to account for constrained lands using this rule.
- **660-038-0120 - Inventory of Buildable Employment Land within the UGB.** A city must determine the supply and development capacity of employment lands within its UGB at the time of initiation by conducting a buildable lands inventory (BLI) for employment land as provided in this rule and OAR 660-038-00130.
- **660-038-0130 - Adjust Employment Buildable Land Inventory to Account for Constrained Lands.** A city must adjust the employment buildable lands inventory determined under OAR 660-038-0120 to account for constrained lands using this rule.
- **660-038-0160. Establishment of Study Area to Evaluate Land for Inclusion in the UGB.** Cities shall comply with this rule and OAR 660-038-0170 when determining which lands



to include within the UGB in response to a deficit of land to meet long-term needs determined under OAR 660-038-0080, 660-038-0150, or both.

- **660-038-0170 - Evaluation of Land in the Study Area for Inclusion in the UGB; Priorities.** A city considering a UGB amendment must decide which land to add to the UGB by evaluating all land in the study area determined under OAR 660-038-0160.

In short, the Division 38 rule creates several categories of land that is broadly divided between land within the current UGB and land in the required UGB study area. The rules provide specific guidance on how to address residential and employment lands within the UGB (but not public lands). The rules also provide guidance for evaluation of lands in the UGB study areas. In simple terms, the BLI for both residential and commercial and industrial lands consists of several common steps:

1. Determining the UGB study area
2. Classifying land into mutually exclusive categories by development status
3. Deducting land with development constraints
4. Developing tabular summaries of lands by classification and plan designation
5. Estimating land holding capacity in terms of dwellings and employees

The process includes verification of land classifications (step 2 above; these can be thought of as development status) by City staff through review of draft maps provided by ECO.

This report summarizes the methods ECO proposes to use to conduct the Newberg BLI, including definitions and procedures we used for the classifications. It also includes a list of development constraints and how they are addressed in the buildable land inventory.

## 2. Methods

---

The methods for a Division 38 buildable lands inventory are largely defined in the rule. Consistent with Statewide Planning Goal 14, the rule addresses lands inside and outside UGBs in different ways. For land inside the UGB, OAR 660-038-0060 and 0070 describe the methods for residential lands, and OAR 660-038-0110 and 0120 describe the methods for employment lands. The simplified method does not require public land inside the UGB to be inventoried. OAR 660-038-0160 provides guidance for establishing a UGB study area, and OAR 660-038-0170 describes methods for evaluating lands outside the UGB. The relevant sections of the Administrative Rule are included in Appendix A.

The inventory is based on Yamhill County Assessment data that was current as of October 2016. The City provided additional data on plan designation, zoning, building footprints, and some natural hazards. Other data was obtained from the Oregon Geospatial Explorer. A full list of data sets used in the inventory is included in Appendix A.

The remainder of this chapter describes the general steps ECO used to implement the inventory. It is organized around lands inside and outside the UGB.

### 2.1 Land inside the UGB

The initial steps in the inventory include basic data processing. ECO used the UGB layer provided by the City (which was confirmed consistent with the 2015 boundary on the URA layer from the Oregon Geospatial Data Library) to “clip” tax lots within the UGB. ECO then merged in plan designation data.

Some tax lots clearly had split plan designations. While the rule does not address split plan designations, ECO and the City agreed they were too significant to ignore. For the Newberg BLI, ECO and the Community Development Director reviewed maps and agreed on specific tax lots with split plan designations to split. Any lot with a split over two acres was evaluated; any lot with at least 0.5 acre in a split was split. This included several lots with three plan designations.

#### Residential Land

Division 38 has specific language for how residential land is inventoried. The general steps are as follows:

1. Assign a density class to each plan designation (OAR 600-038-0060(1)). Division 38 requires each parcel be identified as low-, medium-, or high-density residential based on a set of prescribed densities. ECO reviewed the Newberg Comprehensive Plan and discussed it with City staff. Residential lands were coded into Division 38 categories as shown in Exhibit 1.

**Table 1. Newberg Plan Designations and Division 38 Density Categories**

<b>Plan Designation</b>	<b>Density Class</b>
LDR	LDR
LDR/1A	LDR
LDR/SP	LDR
LDR-6.6	LDR
SD/LDR	LDR
MDR	MDR
MDR/RD	MDR
MDR/SP	MDR
MIX/SP	MDR
SD/MRR	MDR
HDR	HDR
HDR/SP	HDR

2. Assign improvement (development status). Division 38 has thresholds for determination of improvement status—Vacant, Partially Vacant, Developed. The city must identify all vacant lots and parcels with a residential comprehensive plan designation as described in OAR 660-038-0060((2)).
  - i. *A city shall assume that a lot or parcel is vacant if it is at least 3,000 square feet with a real market improvement value of less than \$10,000.*
  - ii. *(3) The city must identify all partially vacant lots and parcels with a residential comprehensive plan designation, as follows: (a) For lots and parcels at least one-half acre in size that contain a single-family residence, the city must subtract one-quarter acre for the residence, and count the remainder of the lot or parcel as vacant land*
  - iii. *(b) For lots and parcels at least one-half acre in size that contain more than one single-family residence, multiple-family residences, non-residential uses, or ancillary uses such as parking areas and recreational facilities, the city must identify vacant areas using an orthophoto or other map of comparable geometric accuracy. For the purposes of this identification, all publicly owned park land shall be considered developed. If the vacant area is at least one-quarter acre, the city shall consider that portion of the lot or parcel to be vacant land.*
  - iv. *All other residential is classified as “Developed.”*
3. Deduct constraints. OAR 660-0380-0070 describes the methods:
  - (a) Floodways and water bodies.
  - (b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;
  - (c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;
  - (d) Contiguous lands of at least one acre with slopes greater than 25 percent.

- (e) Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and
- (f) Lands subject to development prohibitions, natural resource protections, or both in acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 15, 16, 17, or 18.

The rule provides guidance for how much land can be deducted for each constraint.

<b>Constraint</b>	<b>Deduction</b>
(a) Floodways and water bodies.	100%
(b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;	100%
(c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;	no reduction unless the acknowledged comprehensive plan or land use regulations prohibits or reduces residential development
(d) Contiguous lands of at least one acre with slopes greater than 25 percent.	For lands with slopes that are greater than 25 percent: a 100 percent reduction. However, if the lot or parcel includes land with slopes less than 25 percent, the reduction applies only to the land with slopes greater than 25 percent.
(e) Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and	a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.
(f) Lands subject to development prohibitions, natural resource protections, or both in acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 15, 16, 17, or 18.	a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

4. Summarize results. This is a standard BLI step—develop maps and tables that summarize the results of the BLI and show the geographic location of lands.

## Employment Land

Division 38 has specific language for how residential land is inventoried. The general steps are as follows:

1. Classify land as commercial or industrial. Division 38 requires classification of zoning and plan map districts as “commercial” or “industrial” based on the applicable definitions in OAR 660-038-0010. This step also identifies all employment lands that will be included in the inventory.

2. Assign improvement (development status). The city must identify which lots or parcels are vacant, partially vacant, or developed and calculate the total area of such land using the provisions of OAR 660-038-0120(2):
  - (a) *A city may assume that a lot or parcel is vacant if the real market improvement value is less than \$5,000 or if the real market improvement value is less than or equal to 5 percent of the real market land value.*
  - (b) *A city may assume that a lot or parcel is partially vacant if either:*
    - (A) *The real market improvement value of the lot or parcel is greater than five percent and less than 40 percent of the real market land value, in which case, the city must assume that 50 percent of the lot or parcel is developed and 50 percent is vacant, or*
    - (B) *Based on an orthomap, the lot or parcel is greater than one acre in size and at least one-half acre is not improved.*
  - (c) *A city may assume that a lot or parcel is developed if the real market improvement value is greater than or equal to 40 percent of the real market land value.*
3. Deduct constraints. OAR 660-0380-0070 describes the methods:
  - (a) *Floodways and water bodies. For the purpose of this subsection, "water bodies" includes:*
    - (A) *Rivers; and*
    - (B) *Lakes, ponds, sloughs, and coastal waters at least one-half acre in size;*
  - (b) *Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;*
  - (c) *Lands within the tsunami inundation zone established pursuant to ORS 455.446;*
  - (d) *Contiguous lands planned and zoned for commercial use of at least one acre with slopes that are greater than 25 percent. For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;*
  - (e) *Contiguous lands planned and zoned for industrial use of at least one acre with slopes that are greater than 10 percent. For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;*
  - (f) *Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and*
  - (f) *Lands subject to development prohibitions, natural resource protections, or both, in an acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goals 15, 16, 17, or 18.*

The rule provides guidance for how much land can be deducted for each constraint.

<b>Constraint</b>	<b>Deduction</b>
(a) Floodways and water bodies.	a 100 percent reduction.
(b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;	For other lands within the Special Flood Hazard Area (SFHA) as identified on the applicable Flood Insurance Rate Map (FIRM), either (at the city's option): (A) A 50 percent reduction, or (B) A reduction to the levels required by the acknowledged comprehensive plan or land use regulations.
(c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;	no reduction unless the acknowledged comprehensive plan or land use regulations prohibits or reduces residential development
(d) Contiguous lands planned and zoned for commercial use of at least one acre with slopes that are greater than 25 percent. For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;	Contiguous lands of at least one acre with slope greater than 25 percent: a 100 percent reduction
(e) Contiguous lands planned and zoned for industrial use of at least one acre with slopes that are greater than 10 percent. For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;	For lands designated for industrial use, contiguous lands of at least one acre with slope greater than 10 percent: a 100 percent reduction, provided that a lot or parcel with slopes greater than 10 percent that has at least five contiguous acres with slopes less than 10 percent, this authorized reduction does not apply to those areas.
(f) Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and	a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.
(f) Lands subject to development prohibitions, natural resource protections, or both, in an acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goals 15, 16, 17, or 18.	a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

4. Summarize results. This is a standard BLI step—develop maps and tables that summarize the results of the BLI and show the geographic location of lands.

## Defining the UGB Study Area

Division 38 has specific language for how residential land is inventoried. The general steps are as follows—a more detailed description is presented in Appendix B. Division 38 has specific language for how residential land is inventoried. The general steps are as follows:

1. Identify any urban reserves. The ORS 197A.320 and Division 38 priority scheme makes exception lands and urban reserves the same priority.
2. Establish “preliminary” study area. This step involves UGB buffers dependent on population. For Newberg, these were 1 and 1.5 mile buffers. Lands within other UGBs are excluded. We note that we did not exclude constrained lands at this step. Lands across the Willamette River and in the Dundee UGB were excluded.
3. Adjust study area to include 2x need. We could not do this step because the PSU PRC data will not be available until the end of June 2017 because of ORS requirements. This effectively delays Region 3 from using Division 38 fully. For the purpose of this study we assume that the approximately 10,000 acres within the study area will be more than double land need.
4. Exclude land that is impractical to serve. Because we did not know the specific need, we did not make such deductions. The size of the URA and UGB study area suggest that the City should be able to meet a 14-year land need within the study area after making deductions for constraints. Moreover, the serviceability requirements outlined in Division 38 are unclear and untested and cannot be calculated at this initial level of evaluation.

Appendix A describes the methods used to create the study area in detail.

## 3. Newberg Buildable Land Inventory

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This chapter presents the results of the Newberg BLI using the Division 38 methodology. The results are organized into three sections:

1. Overview. This section summarizes basic data about the three areas of interest for this BLI—the UGB, the Urban Reserve Areas, and the UGB study area.
2. Land in the Newberg UGB. This section presents the results of the Division 38 BLI for lands inside the Newberg UGB.
3. Land in the Newberg UGB Study Areas. This section presents results for the UGB Study Area. It includes a summary of land within Newberg’s Urban Reserve Areas (URAs) as well as lands within the UGB study area as determined by the Division 38 rule.

The results are intended to support a potential future boundary amendment process by the City of Newberg.

### 3.1 Overview

ECO traditionally summarizes basic attributes of study areas in our BLIs. We do this to provide context—how big is the UGB? How many acres are in tax lots? How much land is in roads and water? These statistics deepen our understanding of land use in a UGB.

Table 2 shows that Newberg has 4,476 acres within its UGB. Seventy percent of that land (3,072 acres) is in private tax lots. About 687 acres (15% is in federal, state or local public ownership), and about 717 acres (16%) are in roads or other right-of-ways.

**Table 2. Summary of Study Areas**

<b>Location/Attribute</b>	<b>Acres</b>
<b>UGB</b>	<b>4,476</b>
Area in Private Tax Lots	3,072
Public Land in Tax Lots	687
Roads/Right-of-Way	717
<b>URA</b>	<b>551</b>
Area in Private Tax Lots	527
Area in Roads	24
<b>Buffer (outside UGB and URA)</b>	
1-mile	4,700
1.5-mile	10,069

Source: Newberg and Yamhill County GIS data; analysis by ECONorthwest



Table 3 shows area by generalized plan designation in the Newberg UGB. This analysis is from the City Comprehensive Plan map GIS layer and includes areas not in tax lots. Slightly more than half (51%) of land in the City is in a residential plan designation. The actual amount of land in residential designations is higher, as some of the mixed-use land can be used for housing, and a lot of the Springbrook master planned area is designated for residential uses.<sup>1</sup> Lands in the Springbrook master planned area are inventoried consistent with Division 38 standards and are not called out separately in subsequent tables.

**Table 3. Area by Generalized Plan Designation, Newberg UGB**

<b>Generalized Plan Designation</b>	<b>Acres</b>	<b>Percent of Acres</b>
Commercial	281	6%
Industrial	533	12%
Low Density Residential	1,232	28%
Medium Density Residential	888	20%
High Density Residential	152	3%
Mixed-Use	196	4%
Public	707	16%
Springbrook Master Plan	487	11%
<b>Total</b>	<b>4,475</b>	<b>100%</b>

Source: Newberg Comprehensive Plan Designation; analysis by ECONorthwest

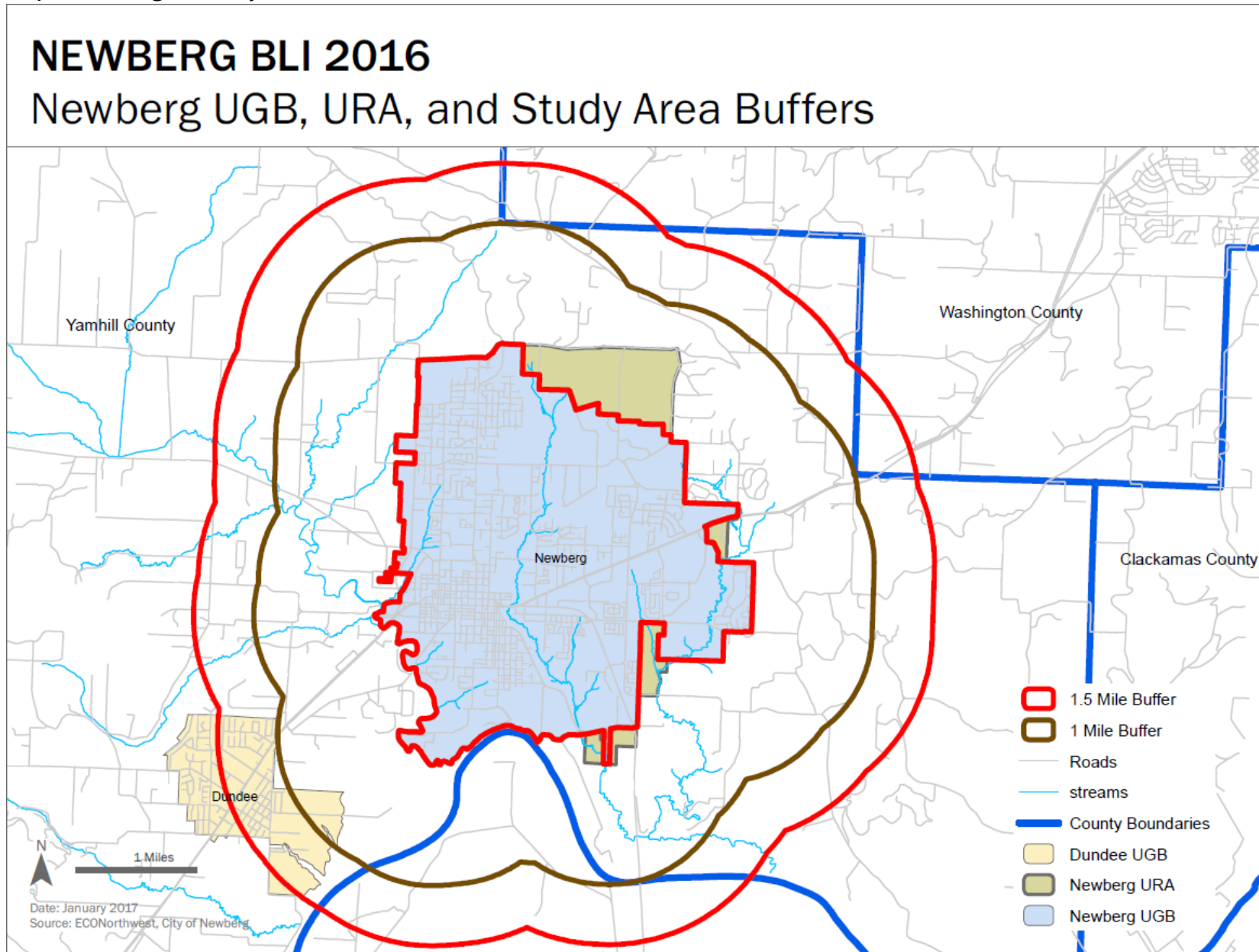
Note: Table 3 includes land in right-of-way, water, and other areas not in tax lots.

Acres are for all land in plan designations, including land in water and right of way; subsequent tables (starting with Table 4) show only land in tax lots.

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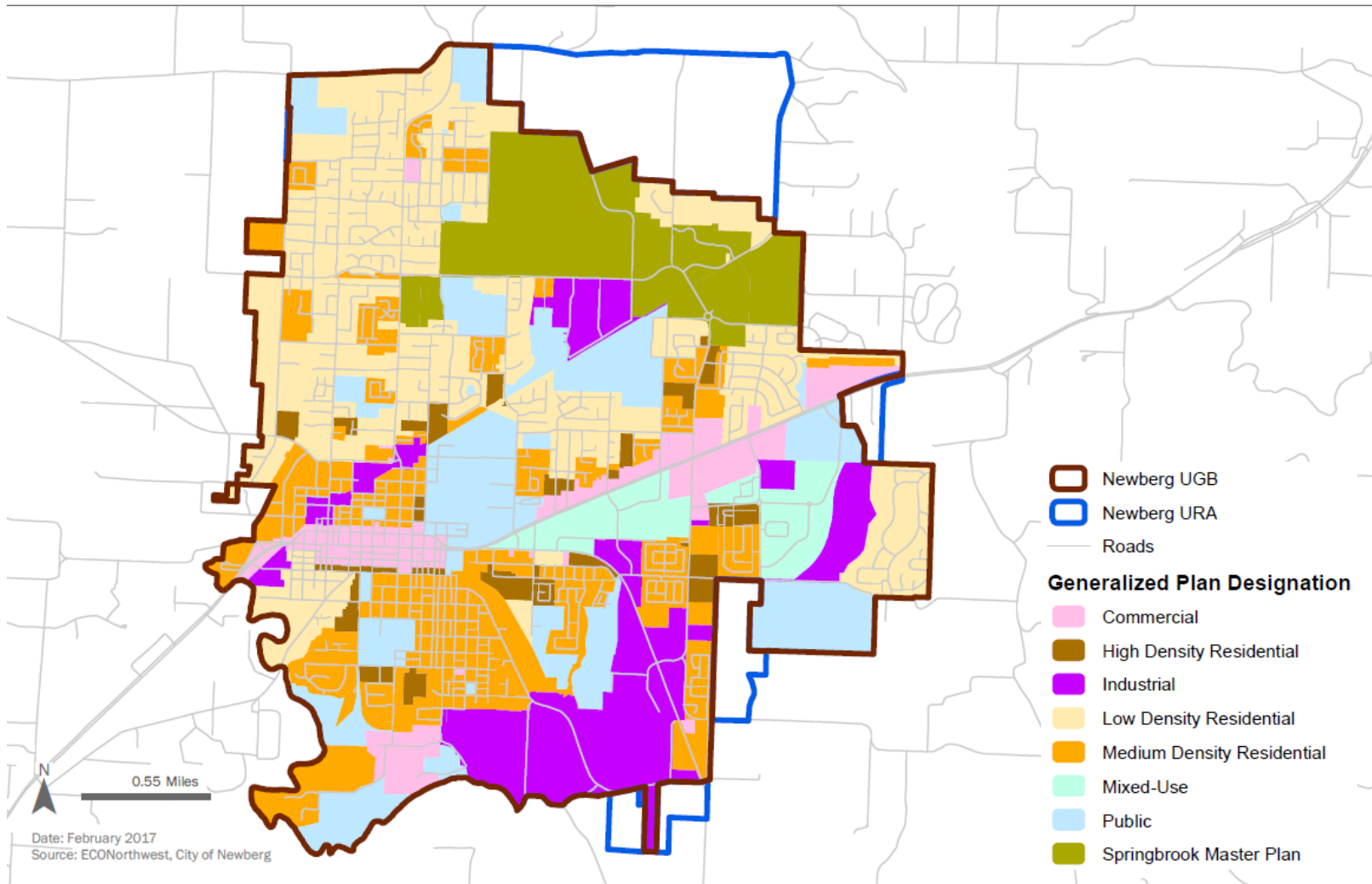
<sup>1</sup> The Springbrook Master Plan area includes land designated for housing, employment, and parks/open space. In the Master Plan, approximately 361 acres are designated for residential uses., 32 acres for employment, 13 acres for commercial uses, and 39 acres for a hospitality district. The remaining land is designated for park or open space.

Map 1. Newberg BLI Study Area Buffers



# NEWBERG BLI 2016

## Newberg UGB Generalized Plan Designation



## 3.2 Lands in the Newberg UGB

Every UGB review starts with an inventory of lands within the current boundary. This provides the foundational data to assess capacity for new housing and employment. Because Division 38 uses different methods for residential and employment lands, we divide the results into two sections.

### Residential Land

Table 4 and Map 3 show residential land by development status and density. The results show that Newberg has about 2,192 acres in tax lots with residential plan designations. About 60% of all residential land in Newberg is in the low-density (LDR) category, 35% is in the MDR, and 6% in the HDR. Applying the Division 38 rules, about 948 acres were classified as “developed”, 790 as “partially vacant,” and 454 as “vacant.”

**Table 4. Residential Land by Division 38 Development Status and Density, Newberg UGB, 2016**

Status	Density Category			Total
	LDR	MDR	HDR	
Developed	564	350	33	948
Partially Vacant	448	261	81	790
Vacant	279	162	12	454
<b>Total</b>	<b>1,292</b>	<b>773</b>	<b>127</b>	<b>2,192</b>

Source: Newberg and Yamhill County GIS data; analysis by ECONorthwest

Table 5 shows all residential land by density class and constraint status. The result show 1,061 acres with improvements on developed or partially vacant tax lots. About 952 acres are vacant after deducting constraints consistent with Division 38 rules.

**Table 5. Residential Land by Division 38 Density Class and Constraint Status, Newberg UGB, 2016**

Div 38 Density Class	Tax Lots	Total Acres	Improved Acres	Constrained Acres	Vacant Acres
LDR	3,339	1,292	634	93	565
MDR	2,800	773	385	77	311
HDR	407	127	42	9	76
<b>Total</b>	<b>6,546</b>	<b>2,192</b>	<b>1,061</b>	<b>179</b>	<b>952</b>

Source: Newberg and Yamhill County GIS data; analysis by ECONorthwest

Table 6 shows the vacant area of vacant and partially vacant tax lots. The results show that about 52% of vacant and partially vacant residential tax lots are LDR, 40% MDR, and 8% HDR. With respect to area, 59% of vacant acres are in LDR, 33% in MDR, and 8% in HDR.

**Table 6. Vacant and Partially Vacant, Residential Land by Division 38 Density Class-, Newberg UGB, 2016**

<b>Div 38 Density Class</b>	<b>Tax Lots</b>	<b>Percent of Tax Lots</b>	<b>Vacant Acres</b>	<b>Percent of Vacant Acres</b>
LDR	349	52%	565	59%
MDR	264	40%	311	33%
HDR	52	8%	76	8%
<b>Total</b>	<b>665</b>	<b>100%</b>	<b>952</b>	<b>100%</b>

Map 4 shows vacant and partially vacant residential land by density class. Map 5 adds constraints to the map.

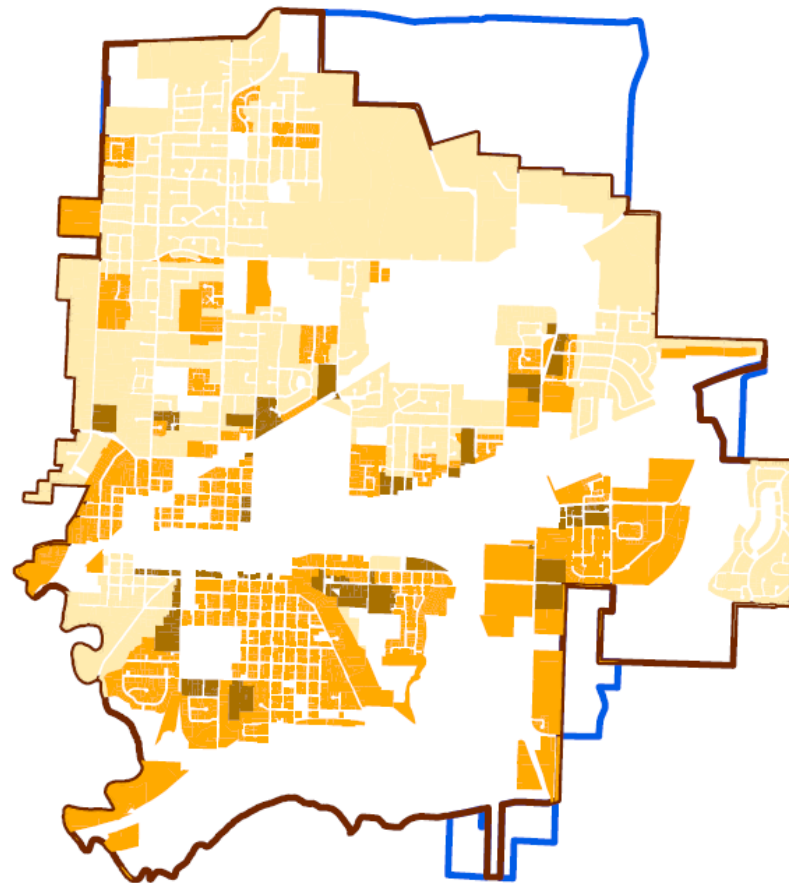
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Map 3. All Residential Land by Division 38 Density Class

# NEWBERG BLI 2016

## Division 38 - Residential Density Class

Plan Designation	Density Class
LDR	LDR
LDR/1A	LDR
LDR/SP	LDR
LDR-6.6	LDR
SD/LDR	LDR
MDR	MDR
MDR/RD	MDR
MDR/SP	MDR
MIX/SP	MDR
SD/MRR	MDR
HDR	HDR
HDR/SP	HDR



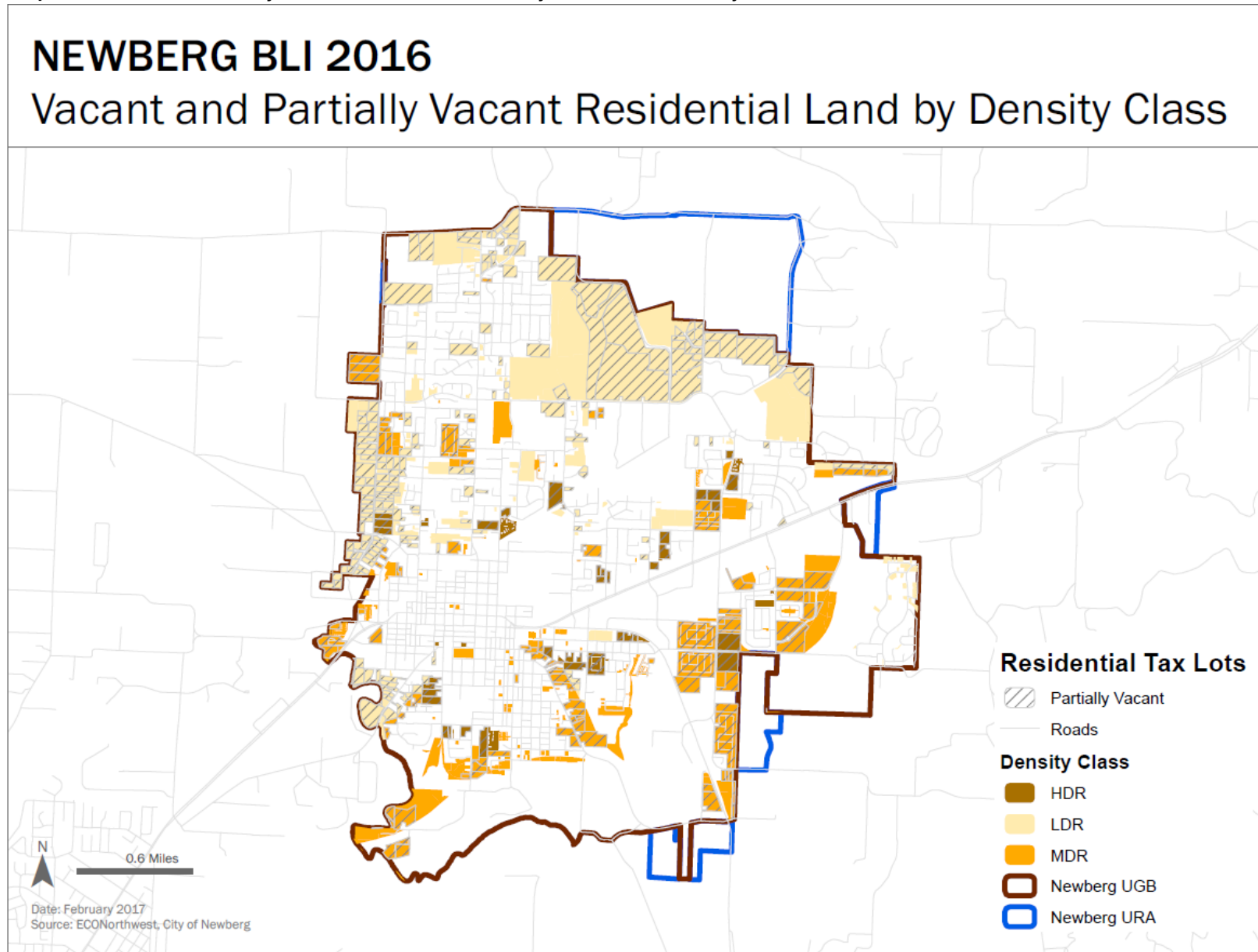
### Density Class

- HDR
- LDR
- MDR
- Newberg UGB
- Newberg URA

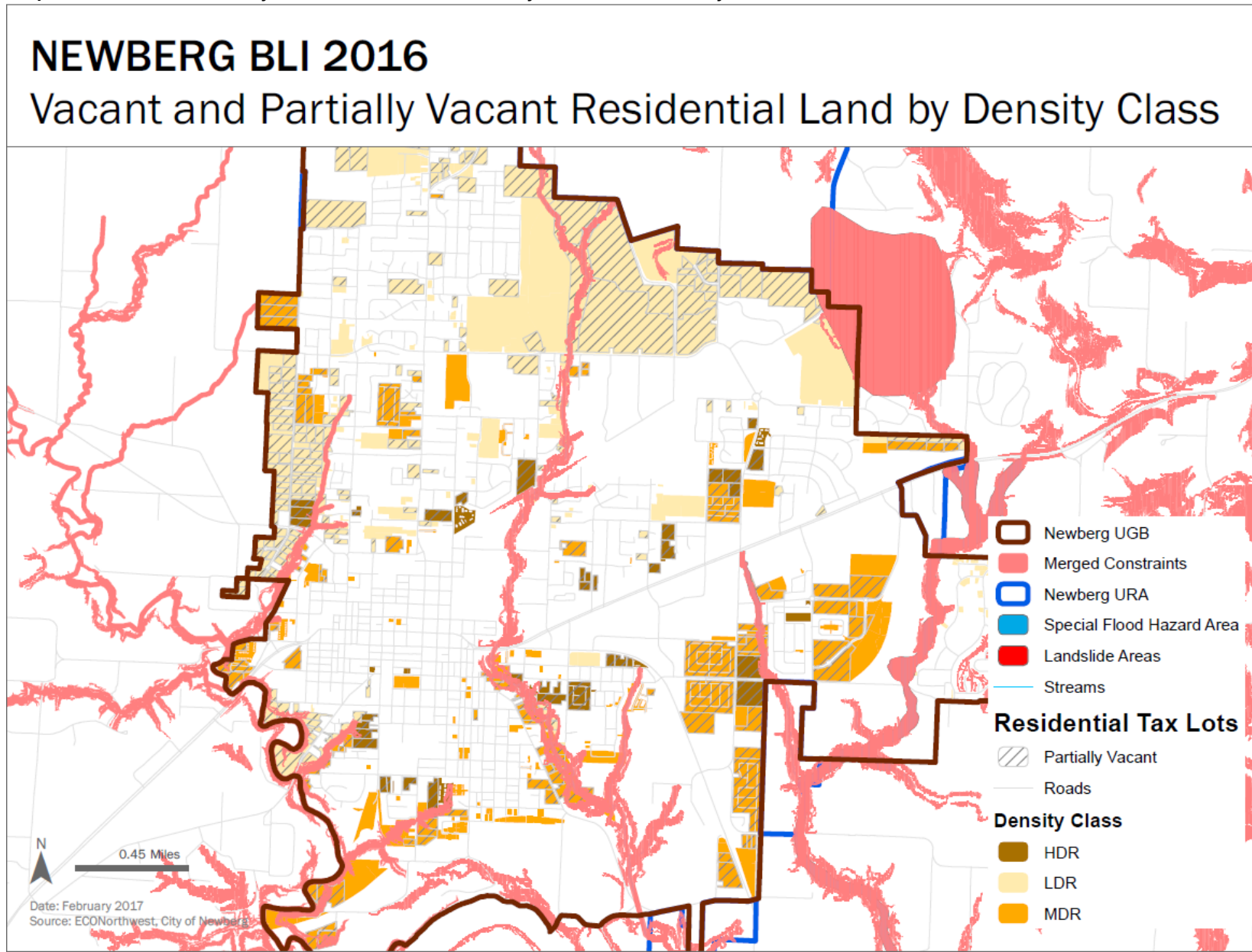


Date: February 2017  
 Source: ECONorthwest, City of Newberg

Map 4. Vacant and Partially Vacant Residential Land by Division 38 Density Class



Map 5. Vacant and Partially Vacant Residential Land by Division 38 Density Class and Constraint Status





## Employment Land

The Division 38 rule requires commercial and industrial lands to be analyzed separately. The key difference is in how the rules treat constraints on commercial and industrial lands.

Table 7 shows all commercial land by development and constraint status. The results show that Newberg has about 381 acres of commercial land. About 146 acres are vacant without constraints.

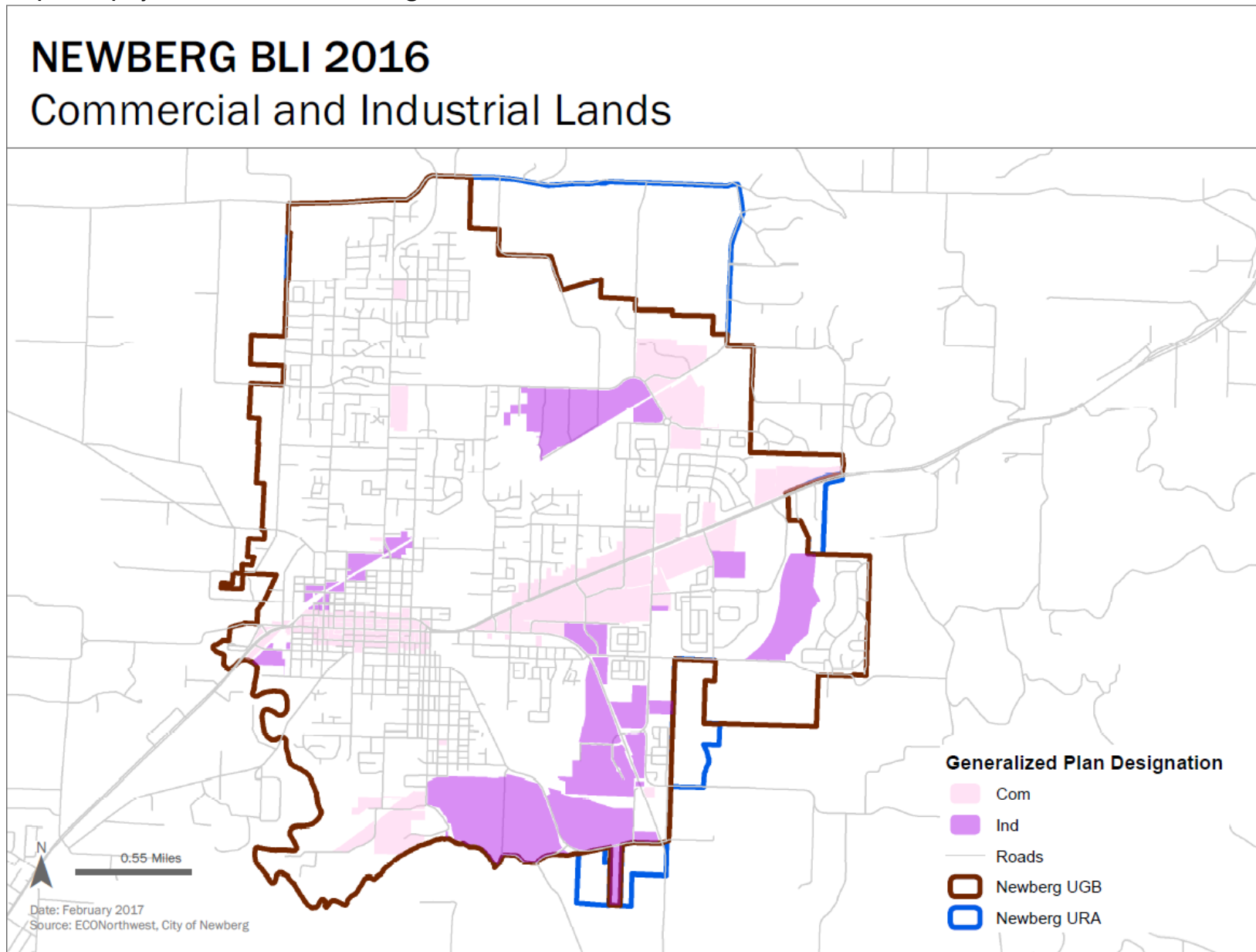
**Table 7. All Commercial Land by Development and Constraint Status, Newberg UGB, 2016**

<b>Development Status</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Vacant Acres</b>
Developed	275	218	212	6	0
Partially Vacant	64	46	13	1	32
Vacant	91	118	0	4	114
<b>Total</b>	<b>430</b>	<b>381</b>	<b>225</b>	<b>10</b>	<b>146</b>

Source: Newberg and Yamhill County GIS data; analysis by ECONorthwest

Map 6 shows employment lands in the Newberg UGB. Map 7 shows vacant and partially vacant commercial land in the Newberg UGB. Map 8 adds constraints.

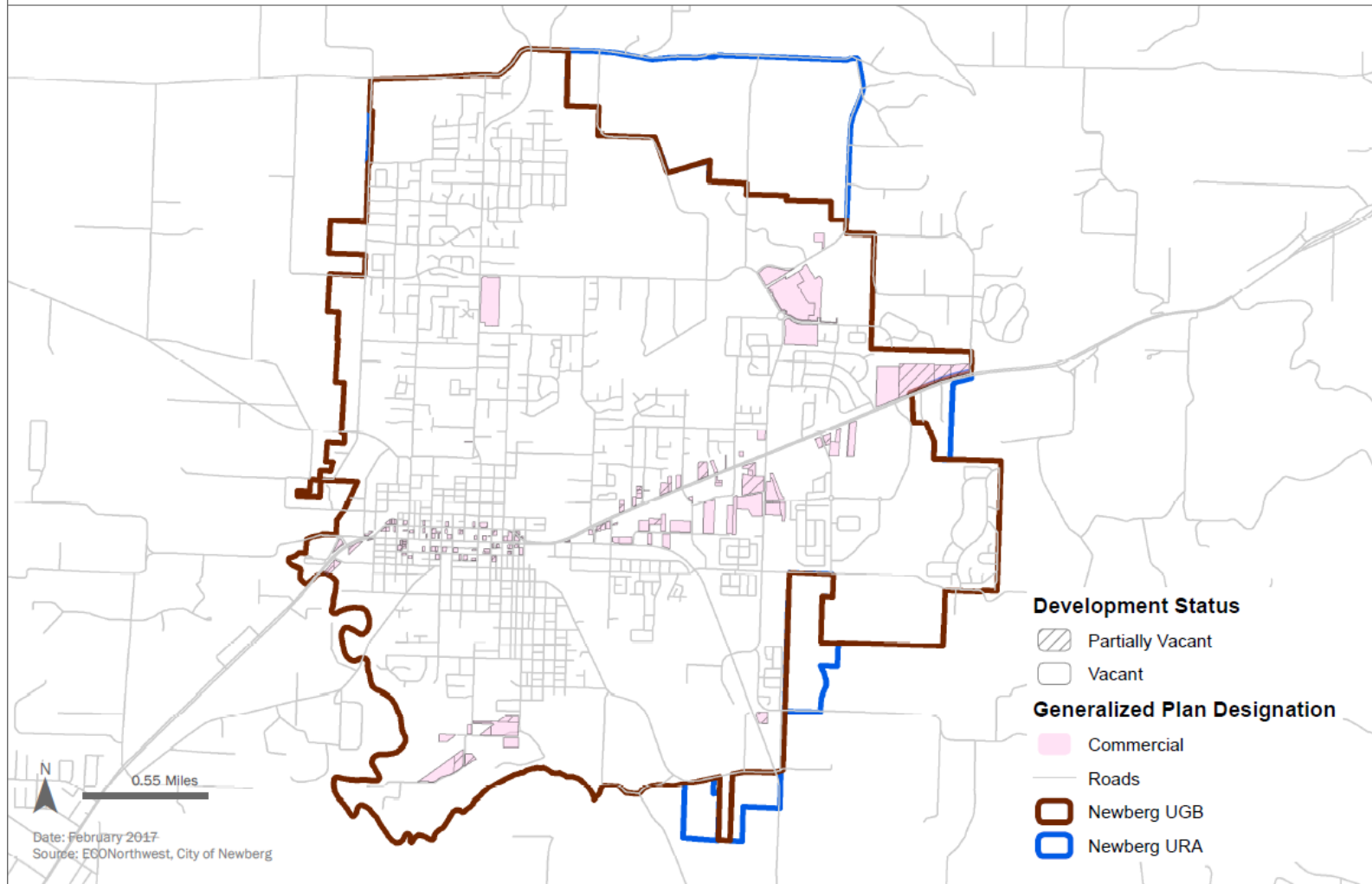
Map 6. Employment Lands in the Newberg UGB



Map 7. Vacant and Partially Vacant Commercial Land, Newberg UGB

# NEWBERG BLI 2016

## Vacant and Partially Vacant Commercial Lands



Map 8. Vacant and Partially Vacant Commercial Land and Constraints, Newberg UGB

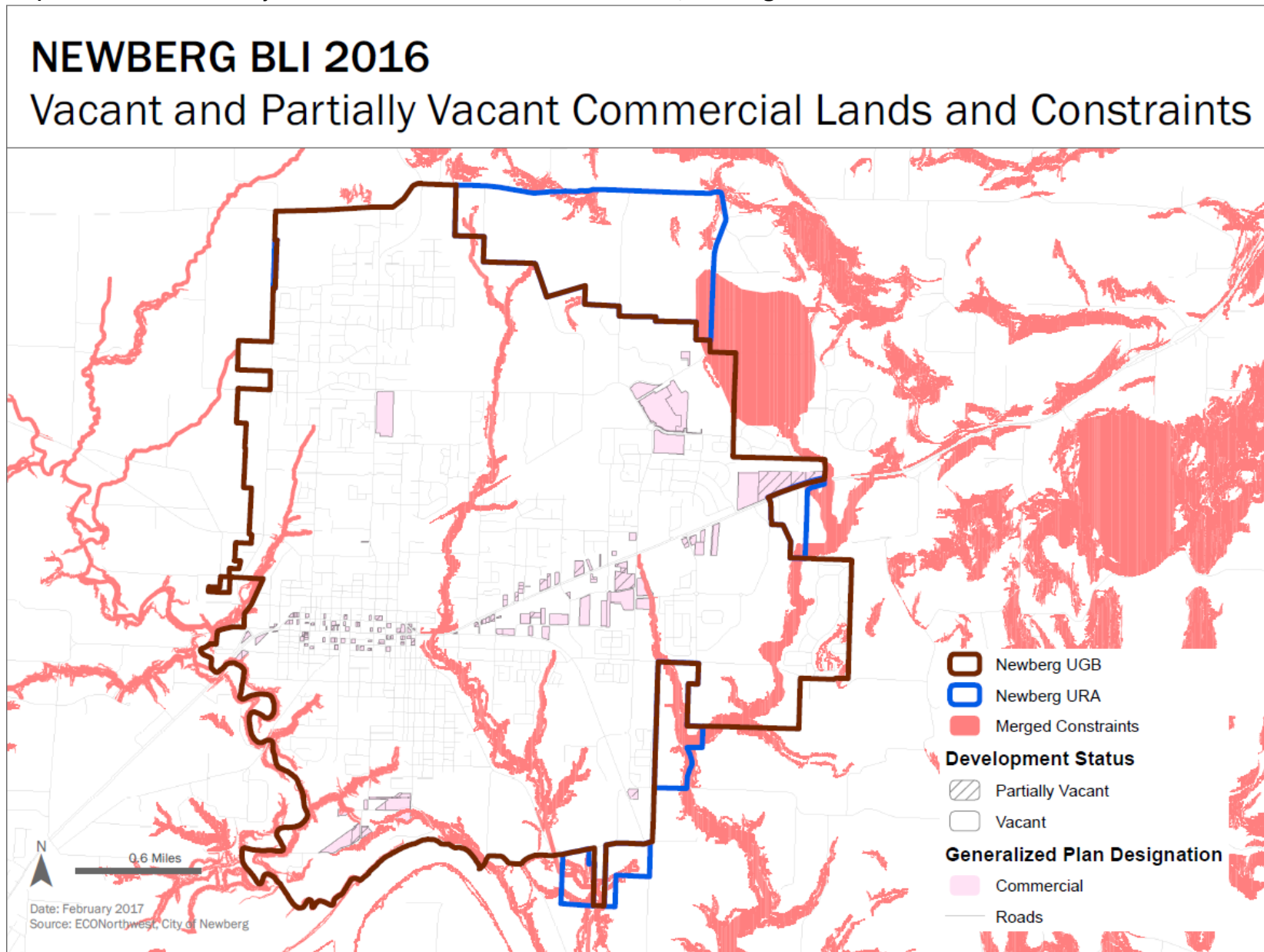


Table 8 shows industrial land in the Newberg UGB by development and constraint status. The results show that Newberg has 479 acres of industrial land. Of that land, 326 are developed, 64 constrained, and 89 vacant.

**Table 8. All Industrial Land by Development and Constraint Status, Newberg UGB, 2016**

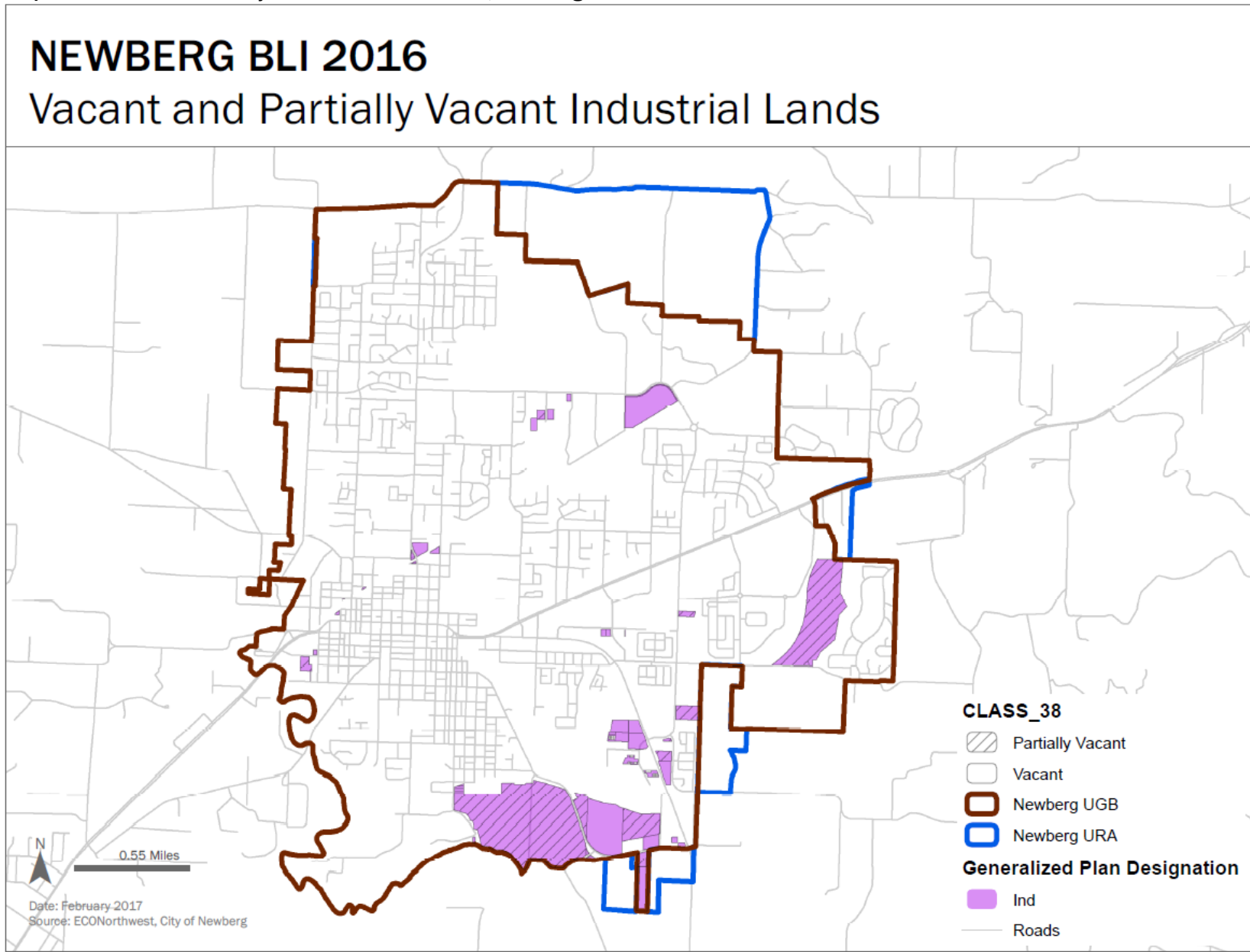
<b>Development Status</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Vacant Acres</b>
Developed	121	197	182	15	0
Partially Vacant	11	200	144	36	19
Vacant	44	82	0	13	70
<b>Total</b>	<b>176</b>	<b>479</b>	<b>326</b>	<b>64</b>	<b>89</b>

Source: Newberg and Yamhill County GIS data; analysis by ECONorthwest

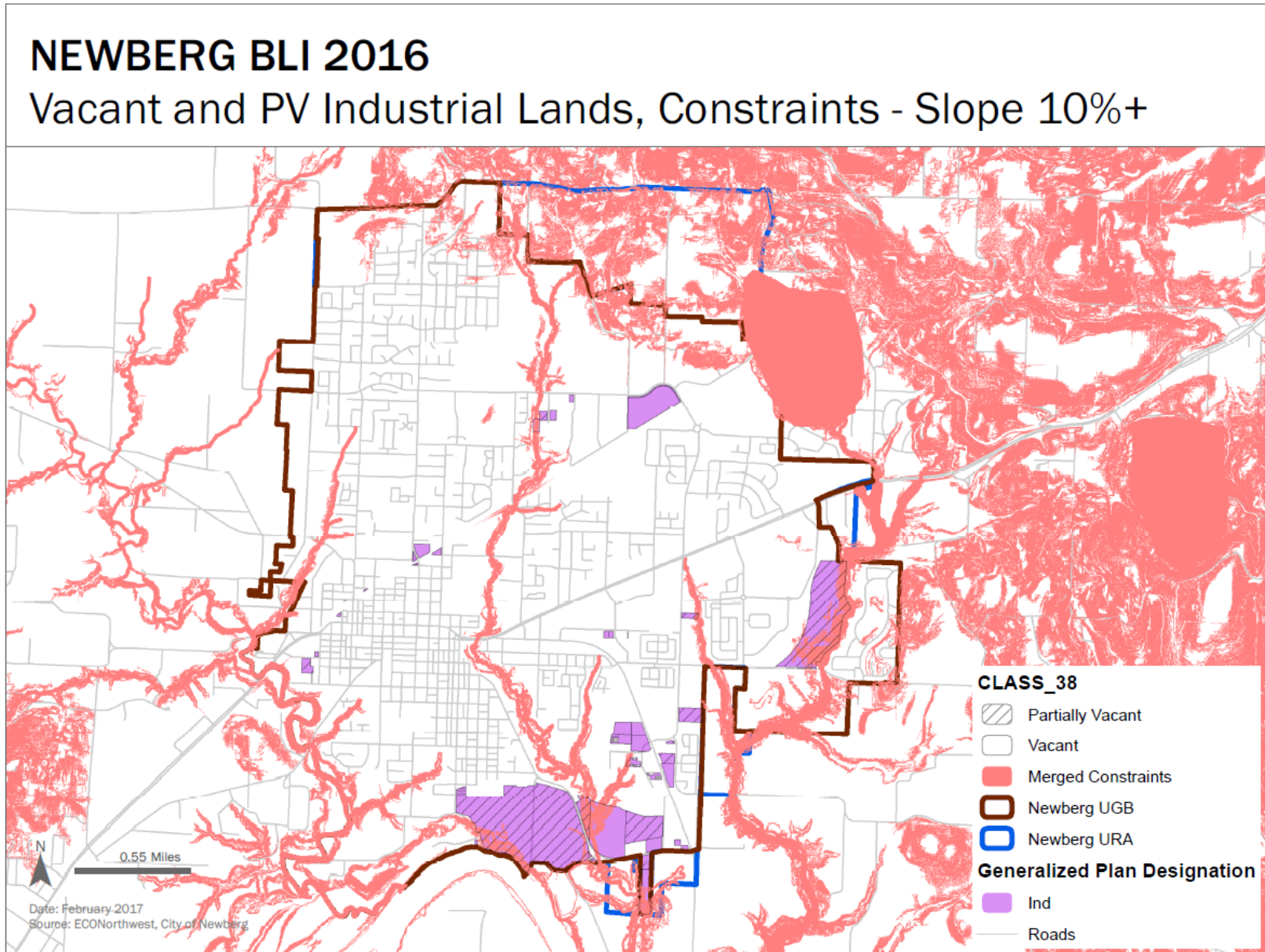
Map 9 shows vacant and partially vacant industrial land in the Newberg UGB. Map 10 adds constraints.

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Map 9. Vacant and Partially Vacant Industrial Land, Newberg UGB



Map 10. Vacant and Partially Vacant Commercial Land and Constraints, Newberg UGB



### 3.3 UGB Study Area (Outside Existing UGB)

OAR 660-038-0160 provides detailed guidance on establishing the study area to evaluate land for inclusion in the UGB. The full text of the requirements is included in Appendix B. For this discussion, we focus on the applicable standards. The rule divides the study area determination into two phases: (1) the preliminary study area; and (2) the final study area. Appendix A describes the steps used to define the study area.

The City of Newberg has Urban Reserve Areas adopted under OAR 660-021. Under the ORS 197A.320 priority scheme, urban reserves and exceptions lands within the UGB study area are first priority for inclusion in the UGB.

Table 9 summarizes lands in Newberg’s URAs and the Division 38 study area. Newberg has a total of 527 acres in 122 tax lots. The average tax lot size in the URAs is 4.3 acres. Excluding the URAs, the Division 38 determined study area includes 10,109 acres in 1,697 tax lots. The average tax lot size in the UGB study area is 6.0 acres.

To define the study area, we included the entire area of any tax lot that was within or intersected the required 1.0 and 1.5 mile buffers. Analyzed by zoning, the study area includes 4,337 acres in 1,293 tax lots considered exceptions areas. The average tax lot size for exceptions lands within the UGB study area is 3.4 acres. The study area also includes 5,772 acres in 404 tax lots with resource zoning (e.g., exclusive farm or forest zones). Not surprisingly, the average size of tax lots with resource zoning was, at 14.3 acres, much larger than exceptions lands.

**Table 9. Summary of Lands in Newberg Urban Reserve Areas and Division 38 UGB Study Area**

Area	Tax Lots	Acres	Average Lot Size (ac)
<b>Urban Reserve</b>			
All land in taxlots	122	527	4.3
<b>UGB Study Area (outside URA)</b>			
All land in taxlots	1,697	10,109	6.0
Exceptions Areas	1293	4,337	3.4
Resource land	404	5,772	14.3

Map 11 shows the study area with a 25% slope and other constraints; Map 12 shows the study area with a 10% slope. The 10% slope is significant as Division 38 allows cities to assume that lands with contiguous areas over 10% slope in tax lots smaller than 5 acres are unsuitable for industrial development.

We struggled with classifying lands outside the UGB. The rules for determining “suitability” of land in the UGB study area are confusing. The provisions are found in OAR 660-038-0170(5):

*With respect to section (1), a city must assume that vacant or partially vacant land in a particular priority category is “suitable” to satisfy a need deficiency identified in OAR 660-038-0080 or 660-038-0150, whichever is applicable, unless it demonstrates that the land cannot*



satisfy the need based on one or more of the conditions described in subsections (a) through (f) of this section:

**Comment:** Our interpretation is that subsection 5 applies to all lands within the study area.

*(a) Existing parcelization, lot sizes or development patterns of rural residential land make that land unsuitable for an identified employment need, as follows:*

*(A) Parcelization: the land consists primarily of parcels 2-acres or less in size, or*

*(B) Existing development patterns: the land cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure.*

**Comment:** OAR 660-038-0170(5)(a) clearly references employment land need; as such, parcelization and lot size can only be used as a screen for employment lands.

*(b) The land would qualify for exclusion from the preliminary study area under the factors in OAR 660-038-0160(2) but the city declined to exclude it pending more detailed analysis.*

**Comment:** Our interpretation is that subsection 5(b) applies to all lands within the study area.

*(c) The land is, or will be upon inclusion in the UGB, subject to natural resources protection under Statewide Planning Goals 5 such that that no development capacity should be forecast on that land to meet the land need deficiency.*

**Comment:** Our interpretation is that subsection 5(c) applies to all lands within the study area that is subject to Goal 5 protection. This evaluation requires the same level of analysis that a traditional BLI would require.

*(d) With respect to needed industrial uses only, the land is over 10 percent slope, as measured in the manner described in OAR 660-038-0160(5); is an existing lot or parcel that is smaller than 5 acres in size; or both.*

**Comment:** It is clear that this applies only to industrial land. To decipher this provision, we must refer to OAR 660-038-0160(5). That section has four subsections. While not entirely clear, we assume that this refers to (5)(a), which states: “Contiguous areas of at least five acres where 75 percent or more of the land has a slope of 25 percent or greater; provided that contiguous areas 20 acres or more that are less than 25 percent slope may not be excluded under this subsection. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;”

A strict application of this suggests that only lots of five acres or smaller, with a “Contiguous areas of at least five acres where 75 percent or more of the land has a slope.” Our interpretation is that would mean that for a five-acre lot, the slope over 10% would need to

cover 75% of the lot area or 3.75 acres. The rule does not address larger lots with slopes over 10%.

*(e) The land is subject to a conservation easement described in ORS 271.715 that prohibits urban development.*

**Comment:** Our interpretation is that subsection 5(e) applies to all lands within the study area that have conservation easements that prohibit urban development.

*(f) The land is committed to a use described in this subsection and the use is unlikely to be discontinued during the planning period:*

*(A) Public park, church, school, or cemetery, or*

*(B) Land within the boundary of an airport designated for airport uses, but not including land designated or zoned for residential, commercial or industrial uses in an acknowledged comprehensive plan or land use regulations.*

**Comment:** Our interpretation is that subsection 5(f) applies to all lands within the study area that have any of the listed uses.

*(6) For vacant or partially vacant lands added to the UGB to provide for residential uses:*

*(a) Existing lots or parcels one acre or less may be assumed to have a development capacity of one dwelling unit per lot or parcel. Existing lots or parcels greater than one acre but less than two acres shall be assumed to have an aggregate development capacity of two dwelling units per acre.*

**Comment:** Our interpretation is that subsection 6(a) applies to all lands within the study area that would be added for residential uses. It is not clear whether the capacity is for the total number of units on the lot, or for additional units. Because the City has not calculated land need or determined which lands are suitable for residential uses, this study does not include a capacity analysis.

In short, the language focuses on suitability, but does not provide guidance for when a tax lot might be deemed developed or committed—with the potential exception that lands that would be added for residential uses under two acres have specific capacity assumptions tied to them. In that sense, all land potentially has capacity. The rule allows consideration of parcelization as a suitability criteria. The direction is vague: *the land cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure.* To put some structure on this part of the analysis, we classified tax lots as follows:

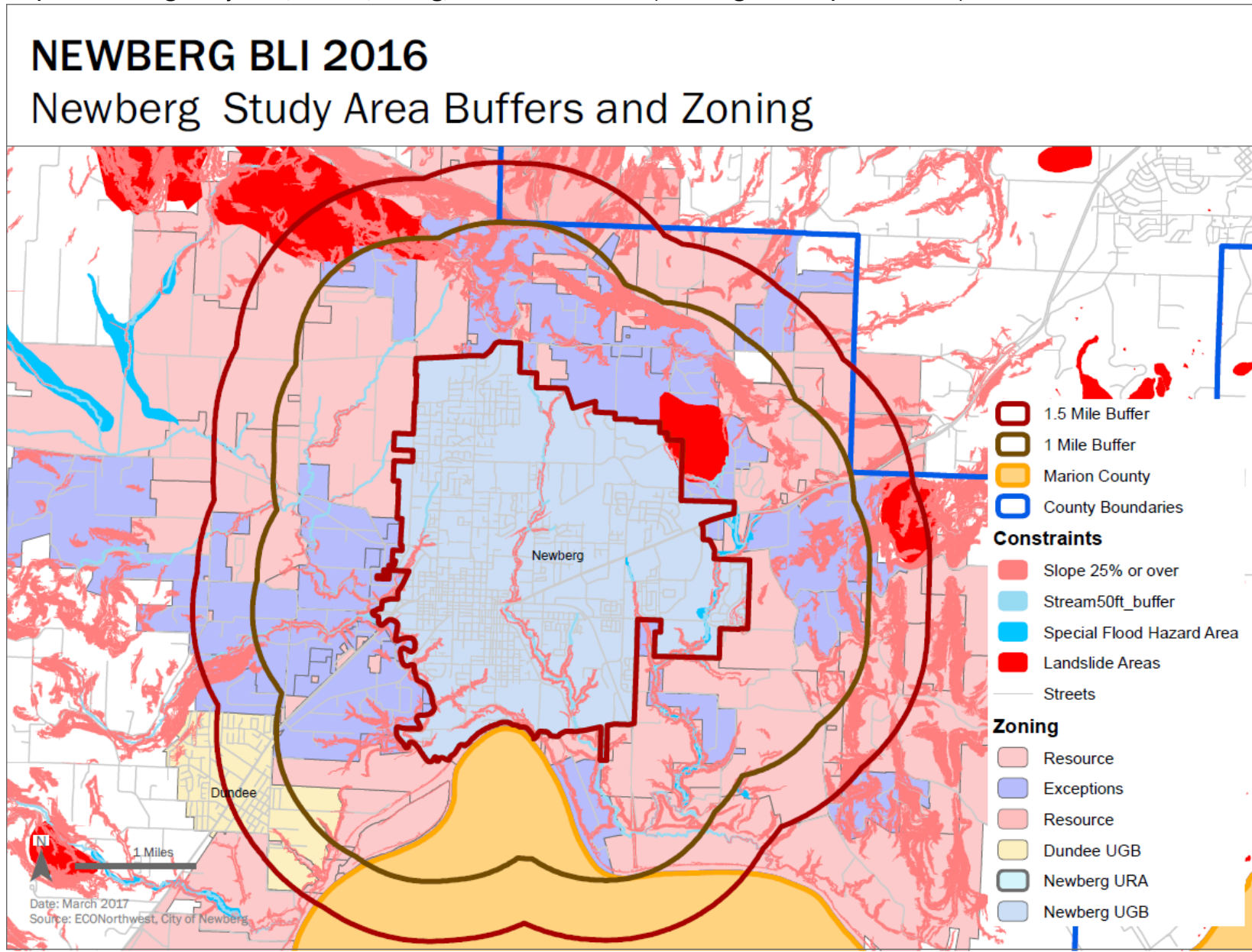
- Developed: tax lots less than 0.5 acre with existing single-family dwellings
- Partially Vacant - <2 Ac: tax lots between 0.5 and 1.99 acres with more than \$10,000 in improvement value.

- Partially Vacant -  $\geq 2$  Ac: tax lots 2.0 acres and larger with more than \$10,000 in improvement value. We used aerial photo review to determine the vacant area of these tax lots.
- Vacant: tax lots of any size with  $< \$10,000$  of improvement value.

These interpreted aspects of the rules were applied to both the URAs as well as the UGB study areas. We note that if Newberg pursues a boundary amendment using the Division 38 rules, more analysis will be required that is specific to lands that would be added for residential or employment uses. The framework ECO developed is intended to provide structure to allow presentation of the results in a more meaningful manner.

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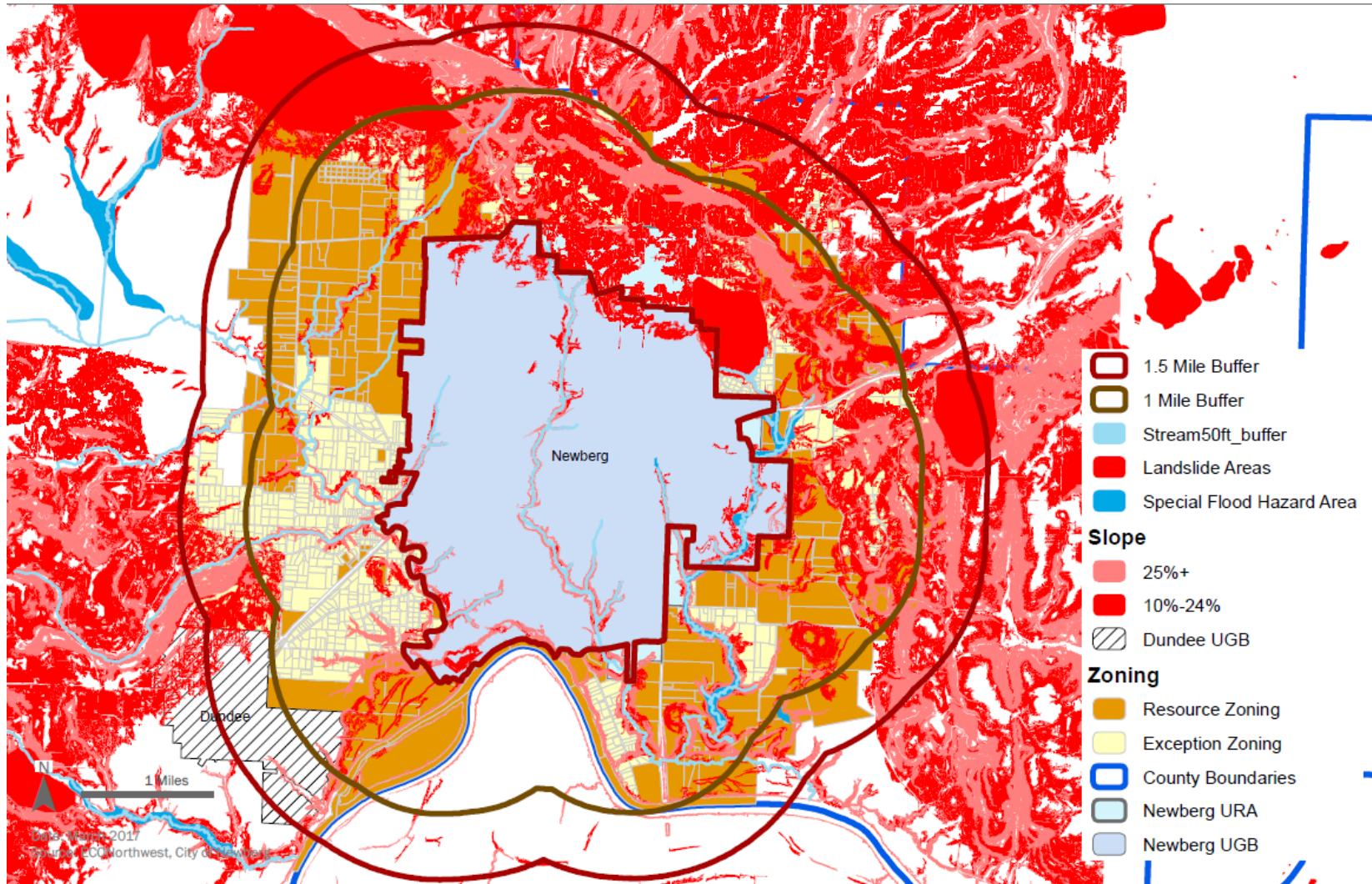
Map 11. Newberg Study Area, Buffers, Zoning, and Exclusion Areas (including 25% Slope Constraint)



Map 12. Newberg Study Area, Buffers, Zoning, and Exclusion Areas (including 10% Slope Constraint)

# NEWBERG BLI 2016

## Newberg Study Area Zoning, Exclusion Areas and Constraints



## Urban Reserve Areas

Newberg established urban reserve areas as allowed by OAR 660-021. Prior to the 2016 revisions to ORS 197 and the establishment of the Division 38 rule, urban reserves were first priority lands for inclusion in a UGB. ORS 197A.320 changed the priority scheme to add exception lands as first priority.

Newberg has four urban reserve areas. The URAs include 527 acres in 111 tax lots. Table 10 shows tax lots in the URA by classification. The results show 461 buildable (suitable) acres within the URA (slopes <25%) and 272 acres with slopes <10%. Map 13 shows the location of URAs and constraints.

**Table 10. Land by Classification in Newberg Urban Reserve Areas**

Classification	Tax Lots	Total Acres	Developed Acres	Constrained Acres	Suitable Acres	
					>25% slope	>10% slope
Developed	24	12	12	3	9	7
Partially Vacant - <2 Ac	49	386	25	39	347	200
Partially Vacant - >=2 Ac	6	8	4	2	6	5
Vacant	32	121	0	22	99	60
<b>Total</b>	<b>111</b>	<b>527</b>	<b>40</b>	<b>66</b>	<b>461</b>	<b>272</b>

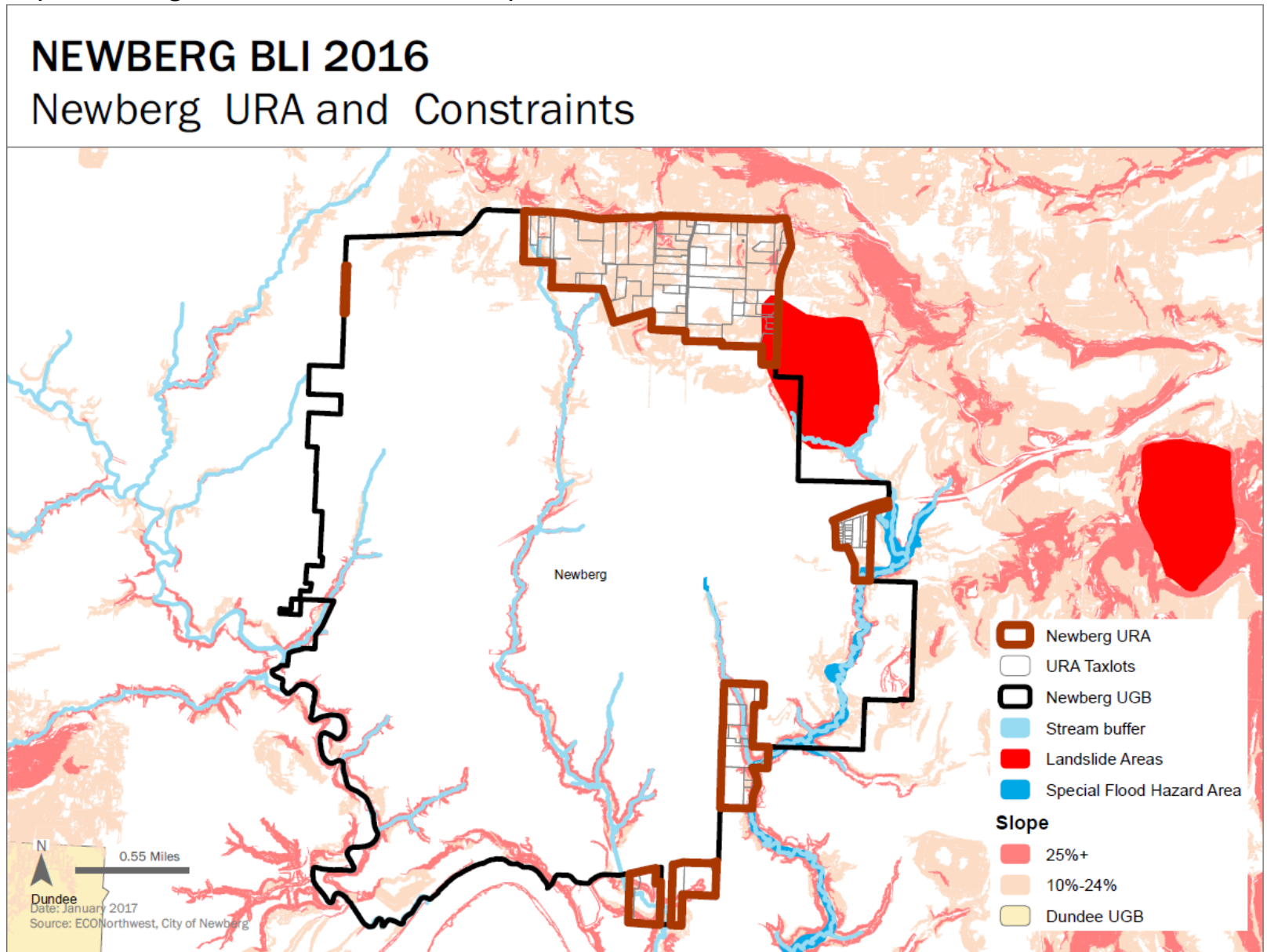
Table 11 shows tax lots by size and constraint status for the Newberg URAs. The results show that about 40% of the 461 buildable acres in URAs are in lots of 10 acres or larger. Based on conservative assumptions, we estimate capacity for about 1,600 new dwelling units in the URAs. This assumes an average of 6 dwellings per acre for lots over 2 acres and that all of the land would be designated for residential uses. These assumptions are included for demonstrative purposes—the City will need to conduct a more detailed evaluation of capacity based on actual land needs and potential plan designations.

**Table 11. Vacant and Partially Vacant Tax lots by Size, Newberg URA (25% slope)**

Lot Size (Ac)	Tax Lots	Total Acres	Buildable Acres	DU
<=1	22	11	9	22
>1 and <2	6	8	6	6
>=2 and <5	20	69	60	20
>=5 and <10	19	144	127	19
>=10 and <20	6	85	76	6
>=20 and <50	2	64	64	2
<b>Total</b>	<b>75</b>	<b>381</b>	<b>342</b>	<b>75</b>

Note: Estimated capacity is for new dwelling units and assumes 1 new dwelling unit per lot for lots <=1 acre; 2 new dwelling units per lot for lots between 1 and 2 acres, and 6 dwelling units per lot for lots over 2 acres.

Map 13. Newberg Urban Reserve Areas and Development Constraints



## UGB Study Area (Outside Urban Reserves)

The UGB Study Area includes 9,821 acres in 1,665 tax lots (excluding right-of-way). Table 12 shows tax lots by size and constraint status for the Newberg UGB Study Area. The results show that over 40% of the 9,821 acres outside of URAs are in lots of 20 acres or larger. The majority of land in larger lots is in resource zones; 6% of land in exceptions zones is in lots of 20 acres or larger.

**Table 12. Vacant and Partially Vacant Tax lots by Size and Constraint Status, Newberg UGB Study Area (25% slope)**

Lot Size (Ac)	Resource			Exceptions			Total		
	Tax Lots	Acres	% of Acres	Tax Lots	Acres	% of Acres	Tax Lots	Acres	% of Acres
<=1	69	41	1%	216	122	3%	285	163	2%
> 1 and <2	45	67	1%	250	368	9%	295	435	4%
>=2 and <5	61	206	4%	612	1,797	42%	673	2,003	20%
>=5 and <10	69	509	9%	138	968	22%	207	1,477	15%
>=10 and <20	63	955	17%	60	784	18%	123	1,738	18%
>=20 and <50	56	1,694	31%	6	178	4%	62	1,873	19%
>=50	19	2,024	37%	1	107	2%	20	2,131	22%
<b>Total</b>	<b>382</b>	<b>5,497</b>	<b>100%</b>	<b>1,283</b>	<b>4,325</b>	<b>100%</b>	<b>1,665</b>	<b>9,821</b>	<b>100%</b>

Table 13 shows tax lots in the UGB Study Area by classification. The results show 7,413 buildable (suitable) acres within the UGB Study Area (slopes <25%), and 5,417 suitable acres (slopes >10%). Nearly 2,800 acres are in priority 1 exceptions areas, with about 2,215 of those in partially vacant (e.g., rural residential lots with a dwelling) lots greater than 2 acres.

**Table 13. Land by Classification in Newberg UGB Study Area**

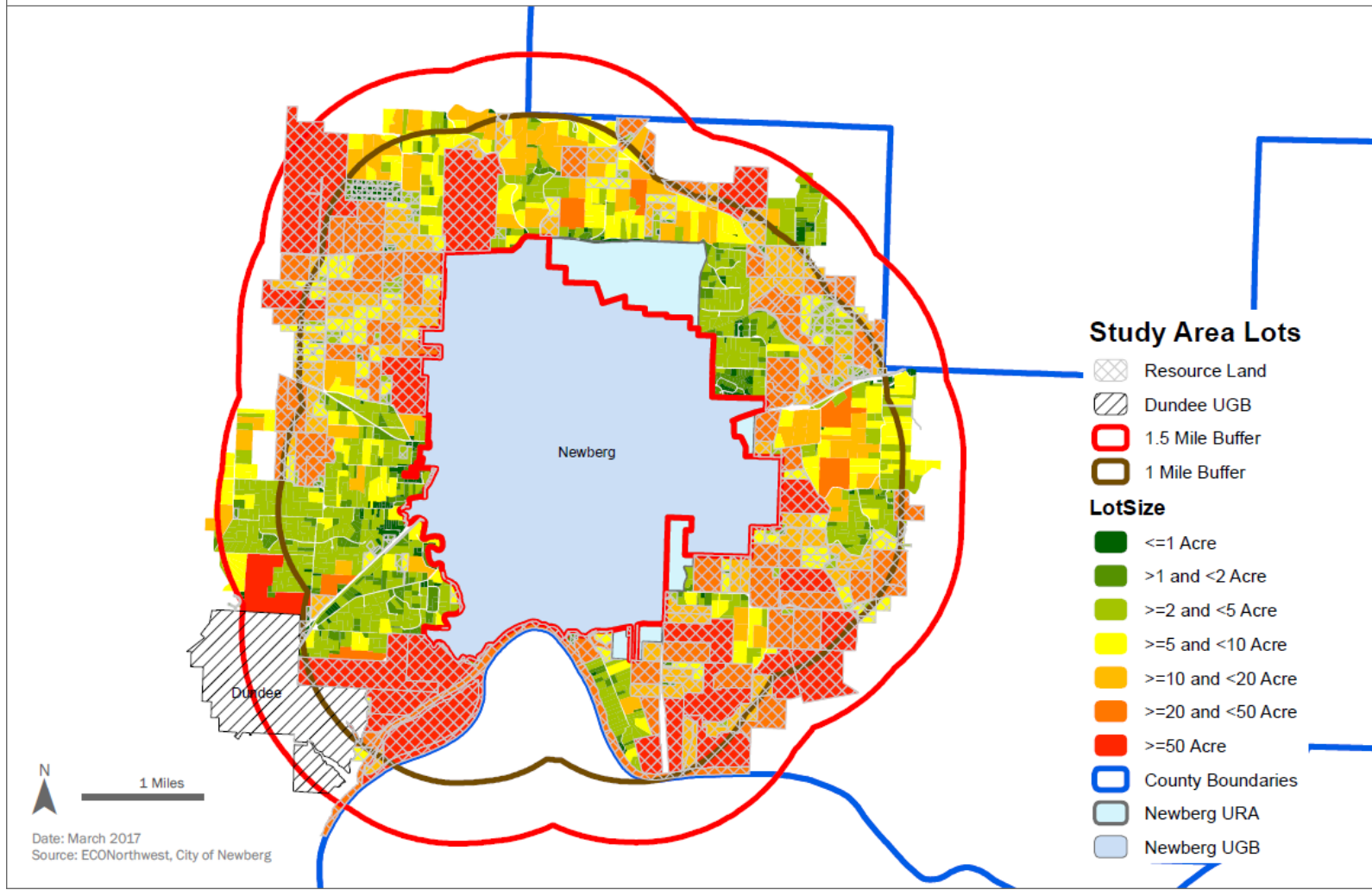
Development Status	Tax Lots	Total Acres	Developed Acres	Slope 25% or over		Slope 10% or Over	
				Constrained Acres	Suitable Acres	Constrained Acres	Suitable Acres
<b>Resource Lands</b>							
Developed	21	9	7	2	0	2	0
Partially Vacant - <2 ac	16	27	8	2	17	5	14
Partially Vacant - >=2 ac	184	3,724	92	480	3,152	1,127	2,505
Vacant	161	1,737	0	277	1,461	537	1,200
<b>Subtotal</b>	<b>382</b>	<b>5,497</b>	<b>107</b>	<b>761</b>	<b>4,629</b>	<b>1,671</b>	<b>3,719</b>
<b>Exceptions Areas</b>							
Developed	145	93	82	11	0	20	-9
Partially Vacant - <2 ac	219	320	104	69	147	113	103
Partially Vacant - >=2 ac	727	3,342	338	788	2,215	1,669	1,335
Vacant	192	570	0	148	421	300	270
<b>Subtotal</b>	<b>1,283</b>	<b>4,325</b>	<b>525</b>	<b>1,016</b>	<b>2,783</b>	<b>2,101</b>	<b>1,698</b>
<b>TOTAL</b>	<b>1,665</b>	<b>9,821</b>	<b>632</b>	<b>1,777</b>	<b>7,413</b>	<b>3,772</b>	<b>5,417</b>



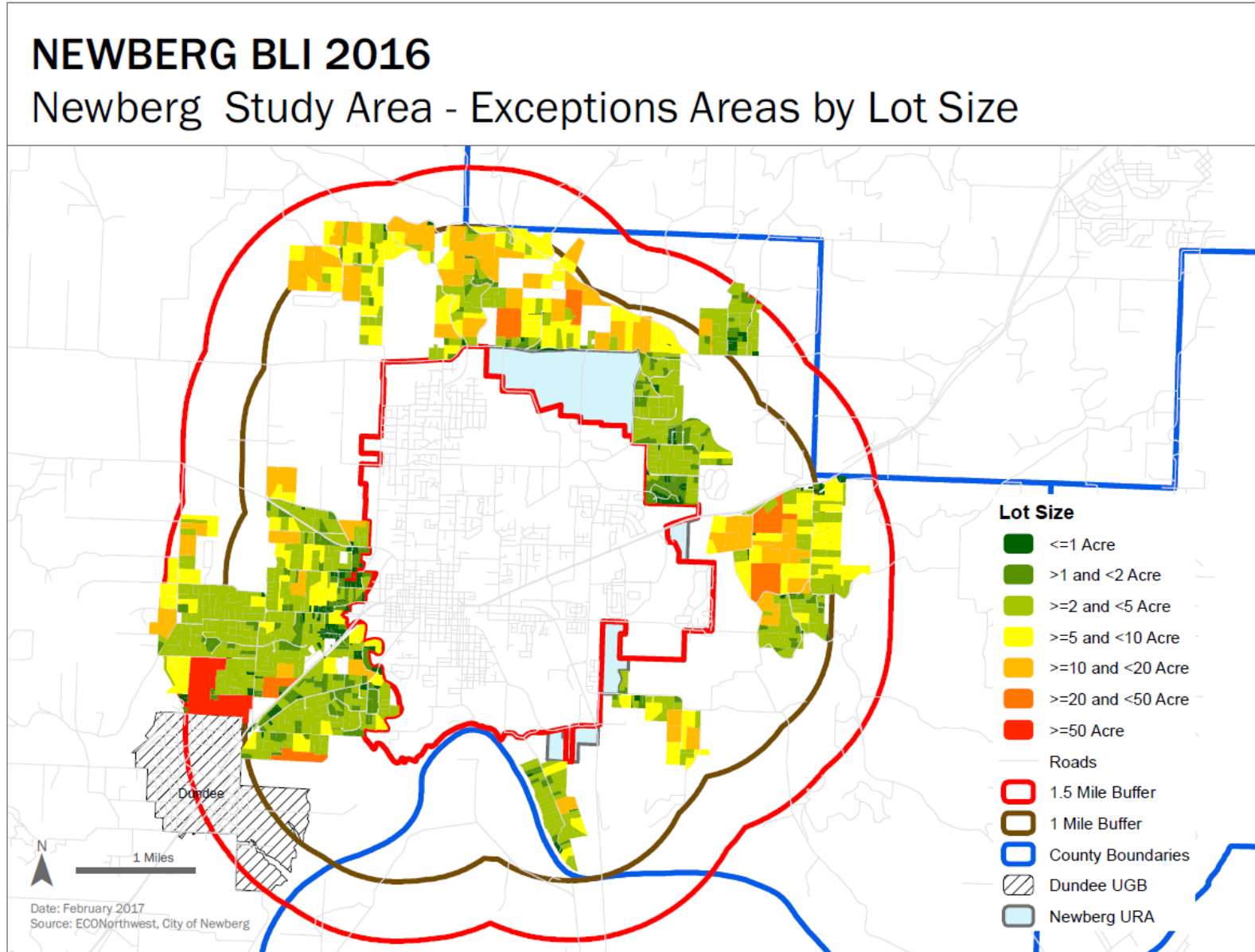
Map 14. Tax lots by Size, Newberg UGB Study Area

# NEWBERG BLI 2016

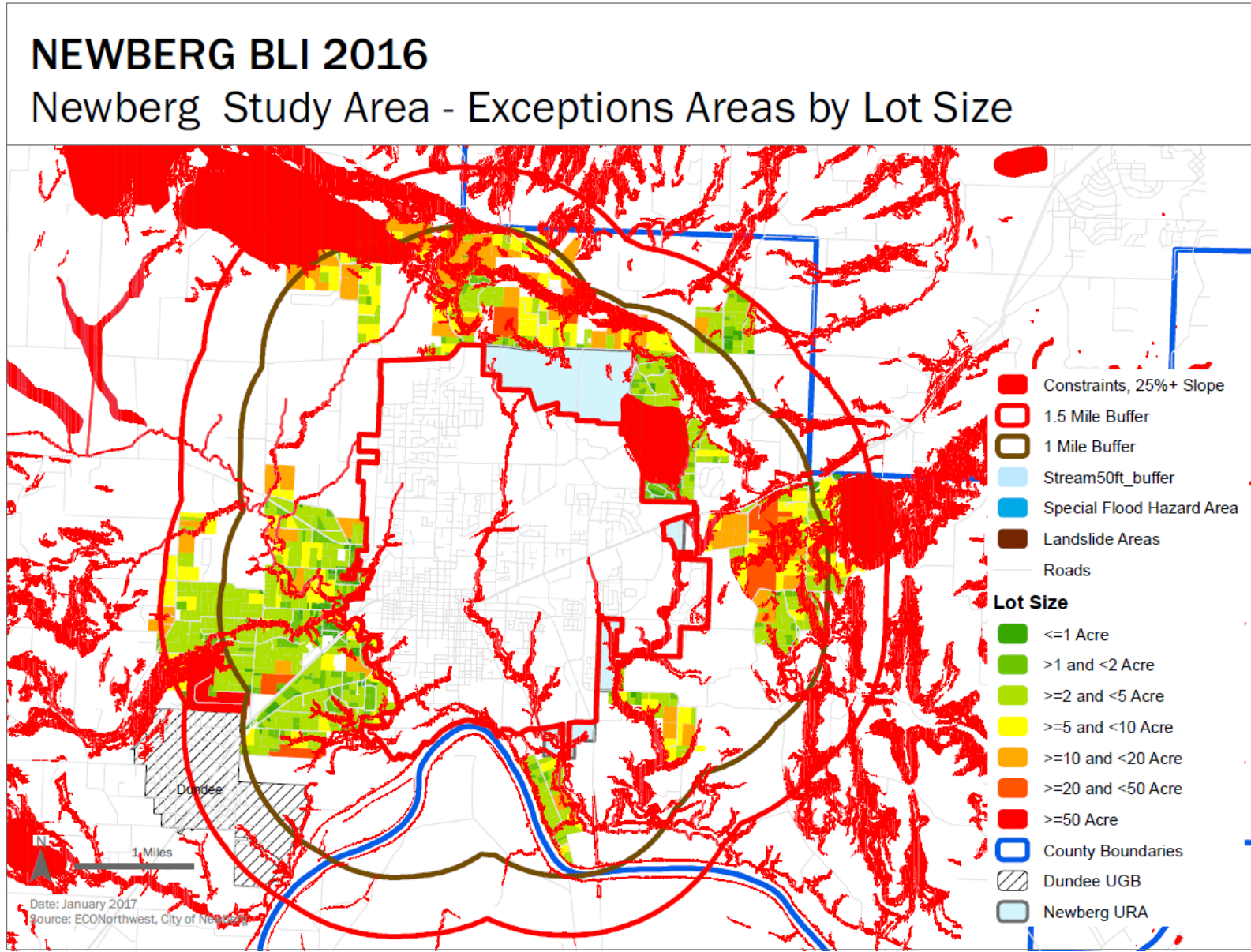
## Newberg Study Area - Lot Size



Map 15. Exceptions Area Tax lots by Size, Newberg UGB Study Area



Map 16. Exceptions Area Tax lots by Size and Constraint Status (25%+ Slope), Newberg UGB Study Area



## 4. Conclusions and Implications

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Newberg faces a key decision in the coming months: whether to pursue a boundary amendment using the Division 38 method, or use the traditional method. The issues with the traditional method are well known. Newberg’s last attempt at an expansion using the traditional method was appealed and ultimately withdrawn.

ECO does not make a recommendation about which method is most appropriate for the City of Newberg. That is a decision that the City Council will need to make with staff input. What we want to do is to inform that dialog. This chapter includes two sections: (1) issues with the Division 38 method; and (2) comparison of the Division 38 method with the standard method.

### 4.1 Issues with the Division 38 Methods

ECO identified a number of issues with the Division 38 method. To help the City—and DLCD—better understand those issues, and how they impact the BLI results, we summarize them here. This task was not in our work program, but we feel compelled to discuss the issues given their nature and extent. This discussion is not intended to be comprehensive—there may be other issues with the Division 38 method that we did not encounter since we only implemented the BLI portions of the rule. Thus, our comments focus on the following sections (note, we number them for reference; the order is not intended to imply precedence or priority):

1. **Standardization of Data Sources.** This is less a critique, than an observation and suggestion. For many data sources, several hosts and versions might be available (e.g., UGB data from the City or Oregon Explorer). It’s not always clear which is preferable or if the data are the most accurate data available. It took a fair amount of time to assemble the required databases, some of which may require expensive subscriptions or fees (part of the Newberg UGB study is in Washington County; Metro manages the data in the region and we used ECO’s subscription to RLIS for the Washington County data). As a suggestion, DLCD could generate and post approved data sets for many of the attributes required—particularly natural hazards.
2. **Split Plan Designations.** The rule does not address the issue of split plan designations. These are very common in cities and many are too big to be ignored. The topology of polygons in plan designation layers frequently does not conform to tax lot boundaries creating so-called “slivers.” These slivers are not true split designations; rather they are remnant from how the data were originally input. ECO sometimes uses complicated algorithms to evaluate split plan designations. For the purpose of the Newberg BLI, ECO and the Community Development Director reviewed maps and agreed on specific tax lots with split plan designations to split. Any lot with a split over two acres was evaluated; any lot with at least 0.5 acre in a split was split.
3. **Deduction of constraints.** In a typical BLI, we would merge all constraints together to create a single constraint layer. Those constraints would then be deducted from vacant and partially vacant areas. In this sense, all constraints are treated the same. This has

been found compliant with statewide planning goals, as many BLIs using these methods have been adopted and acknowledged.

Division 38 treats different constraints differently. Some constraints are allowed a 100% deduction; some a 50% deduction, and some, the extent of local policy. Moreover, industrial lands get a different threshold for slope (which is not inconsistent with methods used by ECO in the past) This makes sense in theory; in practice it greatly complicates the process of deducting constraints.

For example, constraints often share the same geography. It's not uncommon for a stream to have a floodway and floodplain that are accompanied by steep slopes and Goal 5 resources. Under the Division 38 rule, each of these interactions must be analyzed and accounted for individually. These are not simple operations to perform in GIS.

Finally, we find the ½ acre threshold on water bodies in OAR 660-038-0070 and 130 (1)(a)(B) odd. This also requires additional work, since the default assumption on a typical BLI is that waterbodies of all sizes, are not developable. This rule implies that waterbodies under ½ acre do not pose a constraint (e.g., that they can be filled and developed) without the understanding of requirement of other regulatory agencies to fill these water bodies.

4. **Public lands with residential plan designations.** Generally, Division 38 does not require inventory of public lands. We note that some cities we've worked with do not have a public land designation. In those instances, Division 38 would require most lands to be inventoried as residential or commercial.

The rule makes provisions for publicly owned-park land that might meet the threshold of partially vacant (e.g., lots of ½ acre or larger), but not for other public uses. Newberg has schools and other public uses that total more than 70 acres (including Chehalem Valley Middle School) that clearly are not, and will not be available for development in the 14-year planning horizon.

5. **Developed employment land.** The rule does establish a clear threshold for employment lands to be considered developed or committed. The rule identifies thresholds for partially vacant that either require 50% of the land be classified as vacant (lots less than 1 acre) or that aerial photo review occur. Aerial photo interpretation is not particularly complicated, but it is time consuming.
6. **Partially vacant employment land.** OAR 660-038-0120(2)(b)(A) reads "*The real market improvement value of the lot or parcel is greater than five percent and less than 40 percent of the real market land value, in which case, the city must assume that 50 percent of the lot or parcel is developed and 50 percent is vacant.*" The example below shows two developments that meet this threshold. Both would be considered fully developed in a traditional BLI. One is a bank (on the right) and the other a Jiffy Lube (on the left). While this does not equate to a lot of land in Newberg, it forces an unreasonable assumption on the BLI.



7. **Determination of slopes using contour data.** GIS experts typically build slope thresholds from DEMs (digital elevation models) and not contours. The development of slope thresholds is an advanced GIS operation that we would not characterize as simple. This is an area where the state could provide a standardized data set for cities to use.
8. **Errors/anomalies/inconsistencies in County Assessment data.** Consistent with previous experience with County Assessment data, we found many errors or anomalies (these “errors” do not affect the assessment of property, but also do not reflect the value of use). Key among them was developed tax lots with \$0 real market improvement values. Not surprisingly, this happens frequently on lands that are exempt from taxation.

Churches provide a good example. Newberg has 55 taxlots that have “church” in the owner field. Twenty-seven of those taxlots show an improvement value of \$0; 30 have an improvement value of less than \$10,000. Per the Division 38 rule, all residential land with improvement value less than \$10,000 and greater than 3,000 SF is to be considered vacant. These lands totaled 61 acres. The image below highlights three churches that would typically be considered developed or partially vacant based on aerial photo or field inspection.



9. **Partially Vacant multi-family residential land.** Per the Division 38 rule, all residential land with improvement value less than \$10,000 and great than 3,000 SF is to be considered vacant. The image below shows several developments—assisted living facilities—that are fully developed, but get classified as partially vacant. The rule does not provide a clear and objective pathway to identifying when multi-family land is considered developed. Based on the rule criteria, all multifamily land with improvements must be subject to aerial orthophoto review. This process is no more efficient than a standard BLI.



10. **Condo common areas.** The Yamhill County Assessor systematically assesses condo common areas as having \$0 improvement value. These areas are clearly not available for future development, nor do they have any residential capacity. The Division 38 rule requires they be considered vacant. A cursory search identified 28 taxlots with about 10 acres—enough to be a consideration in our view. The image below provides one example.



11. **Classification of lands in the UGB study area.** We found this portion of the rule convoluted and difficult to interpret. The rule uses vague criteria for determining whether land in the UGB study area is vacant, partially vacant, or developed—in fact there are limited criteria for determining development status, only criteria for exclusions that address various reasons for exclusion.

For land that would be for future residential use, the rule incorporates thresholds from the UO research of 1 and 2 acres. The language around capacity is a bit unclear with respect to whether the units are total units or new units. A plain interpretation would be total units.

Because the rule lacked clear guidance on how to evaluate both residential and employment lands in the UGB study area, we developed a classification system based on development status and lot size to summarize the results. It is not clear, however, whether that system would pass legal muster given that the rule does not provide any guidance. It is useful in the context of thinking about lot size and development capacity.



To summarize, **the simplified BLI method is not simple**. In our initial comments about the Division 38 rule, we indicated that there is no way to make a GIS-based inventory simple. We understand the rationale for a GIS based method. However, as described above, parts of the Division 38 method are more complicated than a typical standard method. Moreover, in most instances, the rule requires assumptions that increase the amount of land assumed available for development.

## 4.2 Summary

Clear differences exist between the Division 38 and standard methods. Given some of the issues with land classification, it is difficult for ECO to recommend the City use this methodology moving forward. We identified far too much residential land that would normally be considered developed that the Division 38 rules require the City to consider as vacant. Moreover, we do not see any flexibility in interpreting the Division 38 rules. While we are not attorneys, a common-sense reading of the rule suggests a literal interpretation of its provisions. In short, the rule does not accommodate exceptions.

# Appendix A: Data Sources and Study Area Determination

ECO conducted a buildable land inventory (BLI) consistent with the requirements of OAR 660-038. The first step in the inventory was to obtain the necessary GIS data (Exhibit A-1). The data came from several sources—the City of Newberg; the Metro RLIS database; Yamhill County; and the Oregon Geospatial Data Center.

**Exhibit A-1. Data Sources for Newberg BLI**

Data	Source	Description
Tax lots – Yamhill	Yamhill County Assessor, provided by City of Newberg	Tax lot fabric for entire county. Fabric includes roads.
Tax lots – Washington	Metro RLIS – ECO subscription	Tax lots
Tax lots - Marion	Marion County GIS	Tax lots
City Boundaries	City	Includes city limit, UGB and urban reserve areas
UGB	Oregon Spatial Explorer	2015 UGBs
Counties	Oregon Spatial Explorer	2015 County boundaries
Streets	City of Newberg	City / county roads
Streams	City of Newberg	Perennial streams
Zoning	Yamhill County; Metro RLIS (Washington); Marion County GIS	Zoning outside incorporated city boundaries
Landslide areas	DOGAMI SLIDO 3.2 database	DOGAMI mapped landslide areas
Special Flood Area	Oregon Spatial Explorer – statewide FEMA FIRM database	Areas of special flood hazard
Building Footprint	City of Newberg	Building footprints for land inside the Newberg UGB

## Study Area Determination

The first step in the inventory process is to determine the study area. The study area for Newberg includes all land within the Newberg urban growth boundary (UGB) as well as lands outside the UGB.

## Land within the Newberg UGB

As required by OAR 660-038, the inventory will include all land within the current Newberg UGB. From a practical perspective, this means that all lands within tax lots identified by the Yamhill County Assessor that fall within the UGB (as shown by the GIS data) will be inventoried. The tax lot database ECO received from the City is current as of August 2016. The inventory then builds from the tax lot-level database to estimates of buildable land by plan designation.

## UGB Study Area

OAR 660-038-0160 provides detailed guidance on establishing the study area to evaluate land for inclusion in the UGB. The full text of the requirements is included in Appendix A. For this discussion, we focus on the applicable standards. The rule divides the study area determination into two phases: (1) the preliminary study area; and (2) the final study area. OAR 660-038-0160(1) defines the requirements for the preliminary study area. Items underlined apply to Newberg.

*(1) The city shall determine which land to add to the UGB by evaluating alternative locations within a “study area” established pursuant to this rule. To establish the study area, the city must first identify a “preliminary study area” which shall not include land within a different UGB or the corporate limits of a city within a different UGB. The preliminary study area shall include:*

*(a) All lands in the city’s acknowledged urban reserve, if any;*

*(b) All lands that are within the following distance from the acknowledged UGB, except as provided in subsection (d):*

*(A) For cities with a UGB population less than 10,000: one-half mile;*

*(B) For cities with a UGB population equal to or greater than 10,000: one mile;*

*(c) All exception areas contiguous to an exception area that includes land within the distance specified in subsection (b) and that are within the following distance from the acknowledged UGB:*

*(A) For cities with a UGB population less than 10,000: one mile;*

*(B) For cities with a UGB population equal to or greater than 10,000: one and one-half miles;*

*(d) At the discretion of the city, the preliminary study area may include land that is beyond the distance specified in subsections (b) and (c).*

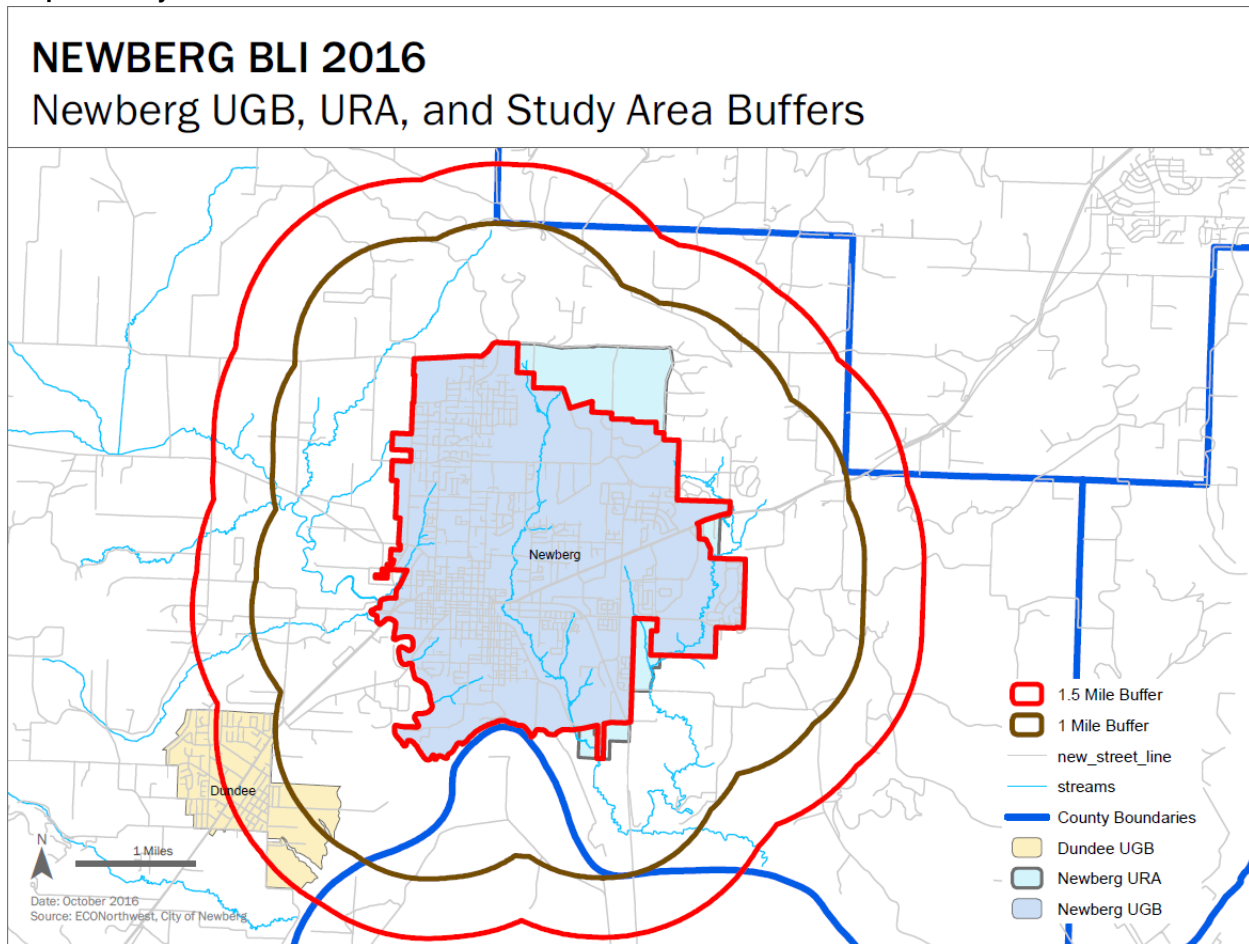
According to the Population Research Center at Portland State University, Newberg’s 2015 population was 22,900. Thus, the provisions for cities with populations over 10,000 apply to Newberg.

Based on OAR 660-038-0160(1), Newberg must include the following areas within the UGB study area:

- Established urban reserve areas (URAs). Newberg has 551 total acres in acknowledged URAs
- All lands within one mile of the UGB (and not in a UGB).
- Exceptions areas within 1.5 miles of the UGB that are contiguous to land within the one-mile buffer.

Map 1 shows the study area boundaries based on these requirements.

**Map 1. Study Area Buffers**



*(2) The city may exclude land from the preliminary study area if it determines that any of the conditions in this section apply to the land:*

*(a) Based on the standards in section (5) of this rule, it is impracticable to provide necessary public facilities or services to the land;*

*(b) The land is subject to significant development hazards, due to a risk of:*

*(A) Landslides: The land consists of a landslide deposit or scarp flank that is described and mapped on the Statewide Landslide Information Database for Oregon (SLIDO) Release 3.2 Geodatabase published by the Oregon Department of Geology*

*and Mineral Industries (DOGAMI) December 2014, provided that the deposit or scarp flank in the data source is mapped at a scale of 1:40,000 or finer. If the owner of a lot or parcel provides the city with a site-specific analysis by a certified engineering geologist demonstrating that development of the property would not be subject to significant landslide risk, the city may not exclude the lot or parcel under this paragraph;*

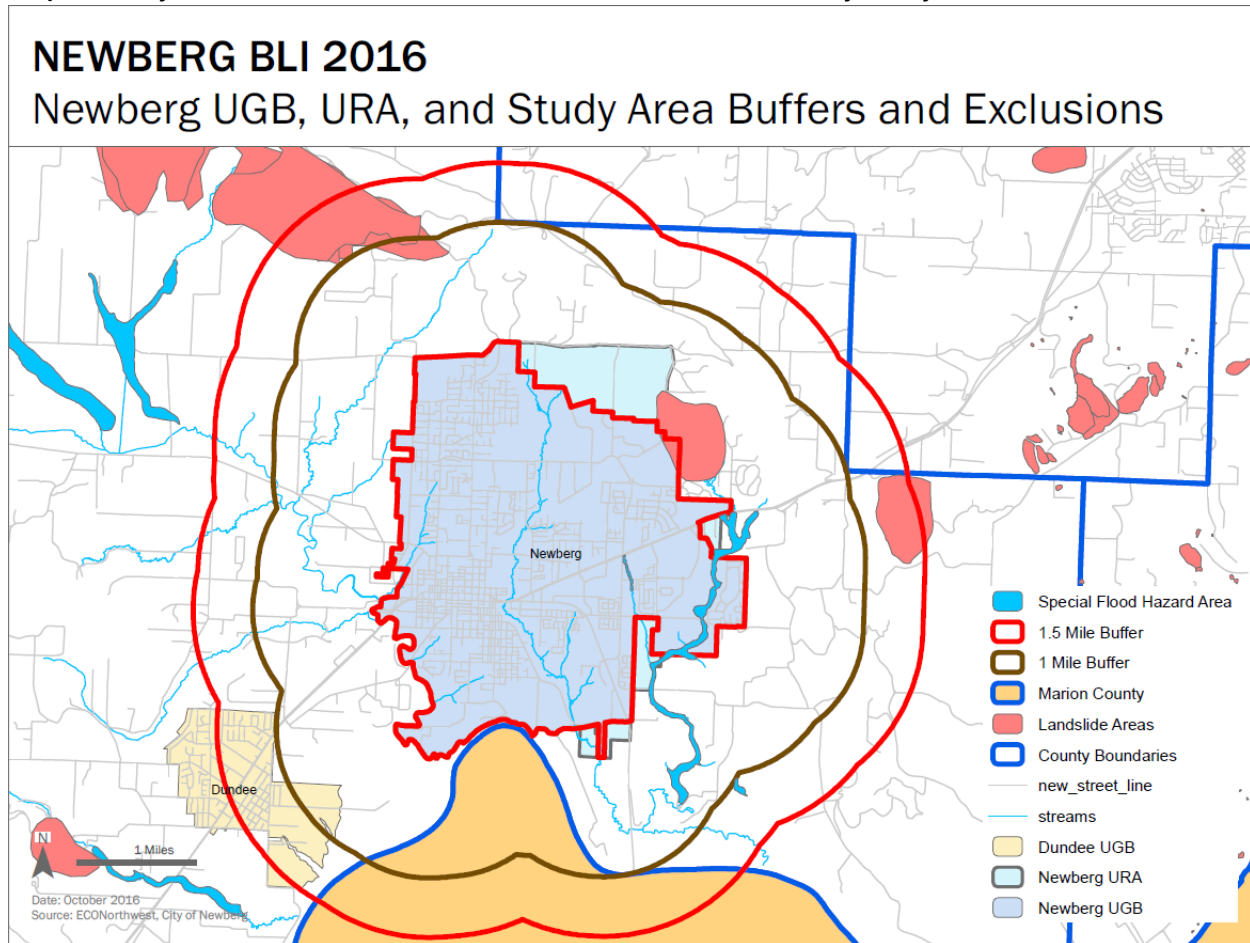
*(B) Flooding, including inundation during storm surges: the land is within the Special Flood Hazard Area (SFHA) identified on the applicable Flood Insurance Rate Map (FIRM);*

This section has several other provisions that are either not applicable to Newberg or which the City has chosen not to apply. Based on these provisions, the City removed the following areas from further consideration:

- **Areas in Marion County.** The Willamette River is the boundary between Yamhill and Marion County. A portion of the Newberg UGB is adjacent to the river. Moreover, areas within the one- and 1.5-mile buffers fall within Marion County. The City finds that it is impracticable to provide necessary public services to these areas as described in OAR 660-038-0160(7)(b).
- **Landslide areas.** Several areas within the one- and 1.5-mile buffer are identified in DOGAMI's SLIDO 3.2 database. These were removed from further consideration pursuant to OAR 660-038-0160(2)(b)(A).
- **Flood areas.** Several areas within the one- and 1.5-mile buffer are identified in the Special Flood Hazard Area by FEMA. These were removed from further consideration pursuant to OAR 660-038-0160(2)(b)(B).
- **Dundee UGB.** Areas within the Dundee UGB are removed from further consideration.

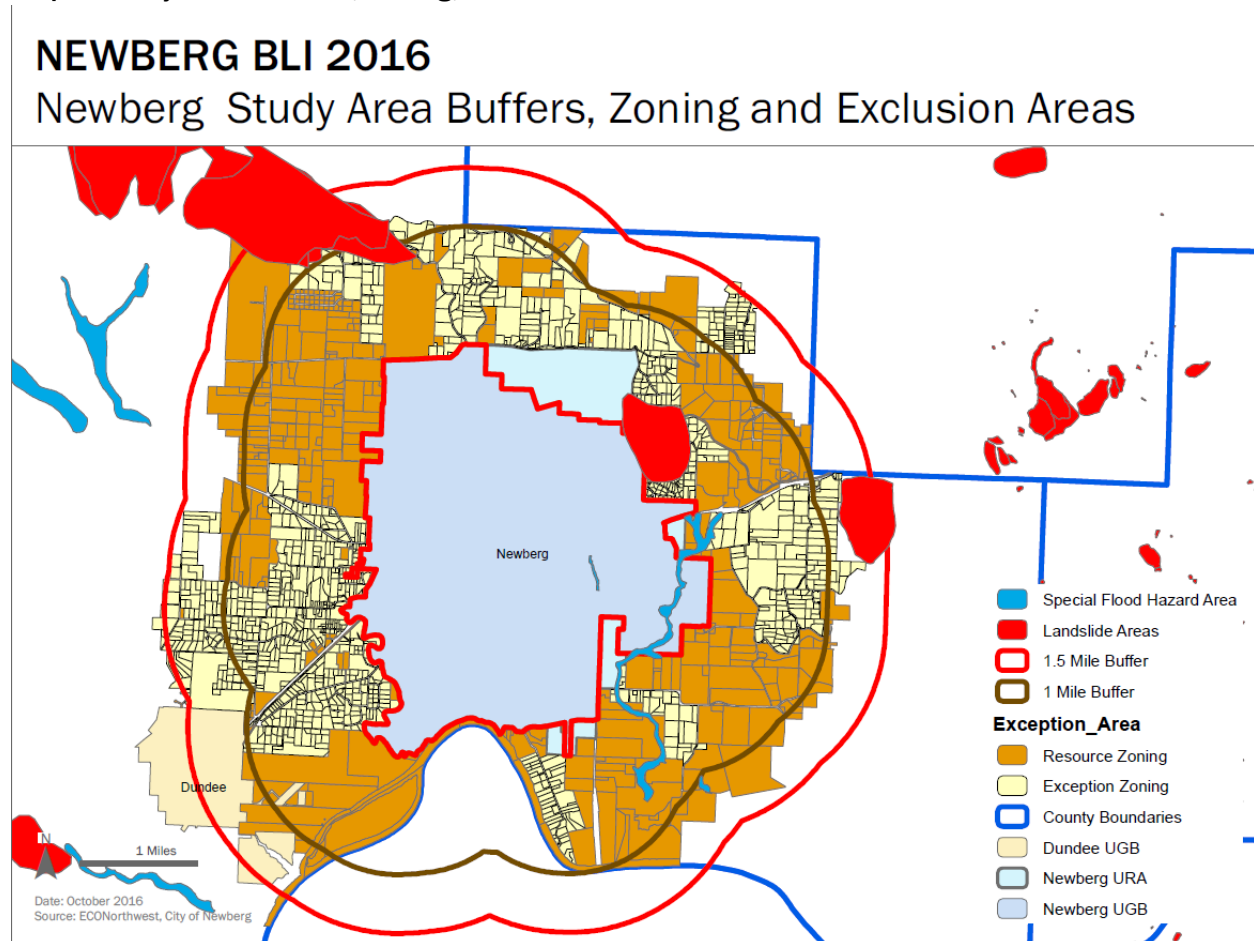
Map 2 shows areas excluded from the preliminary study area.

Map 2. Study Area Buffers and Areas Excluded from the Preliminary Study Area



The final step in defining the study area is to identify exception areas in the area between the one and 1.5-mile buffer that are contiguous to exception areas within the one-mile buffer. Map 4 shows tax lots included in the preliminary study area. Note that the full area of lots that intersect the one- and 1.5-mile buffers were included. The City does not anticipate splitting tax lots based on the buffers.

#### Map 4. Study Area Tax Lots, Zoning, and Exclusions



We note that additional lands could be excluded from the inventory based on the provisions of subsections 3-5. Because it is not clear what the City's land need is at this point, it is not particularly efficient to review 10,000 acres for all of these deductions. A more prudent approach would be to narrow down lands outside the UGB into study areas and conduct more detailed analysis of those areas.

*(3) After excluding land from the preliminary study area under section (2), the city must adjust the study area, if necessary, so that it includes an amount of land that is at least twice the amount of land needed to satisfy the combined need deficiency determined under OAR 660-038-0080 and 660-038-0150. Such adjustment shall be made by expanding the applicable distance specified under section (1) and applying section (2) to the expanded area.*

*(4) For purposes of evaluating the priority of land under OAR 660-038-0170, the "study area" shall consist of all land that remains in the preliminary study area described in section (1) of this rule after adjustments to the area based on sections (2) and (3).*

*(5) For purposes of subsection (2)(a), the city may consider it impracticable to provide necessary public facilities or services to the following lands:*

*(a) Contiguous areas of at least five acres where 75 percent or more of the land has a slope of 25 percent or greater; provided that contiguous areas 20 acres or more that are less than 25 percent slope may not be excluded under this subsection. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;*

*(b) Lands requiring the construction of a new freeway interchange, overpass, underpass, or similar improvement to accommodate planned urban development providing such improvement is not currently identified in the Statewide Transportation Improvement Program (STIP) for construction within the planning period;*

*(c) Land that is isolated from existing service networks by physical, topographic, or other impediments to service provision such that it is impracticable to provide necessary facilities or services to the land within the planning period. The city's determination shall be based on an evaluation of:*

*(A) The likely amount of development that could occur on the land within the planning period;*

*(B) The likely cost of facilities and services; and,*

*(C) Any substantial evidence collected by or presented to the city regarding how similarly situated land in the region has, or has not, developed over time.*

*(d) As used in this section, "impediments to service provision" may include but are not limited to:*

*(A) Major rivers or other water bodies that would require new bridge crossings to serve planned urban development;*

*(B) Topographic features such as canyons or ridges with slopes exceeding 40 percent and vertical relief of greater than 80 feet;*

*(C) Freeways, rail lines, or other restricted access corridors that would require new grade separated crossings to serve planned urban development;*

*(D) Significant scenic, natural, cultural or recreational resources on an acknowledged plan inventory and subject protection measures under the plan or implementing regulations, or on a published state or federal inventory, that would prohibit or substantially impede the placement or construction of necessary public facilities and services.*

*(6) Land may not be excluded from the preliminary study area based on a finding of impracticability that is primarily a result of existing development patterns. However, a city may forecast development capacity for such land as provided in OAR 660-038-0170(1)(d).*



# Appendix B: Division 38 Guidelines for Buildable Land Inventories

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The Division 38 Simplified Urban Growth Boundary Methods rule (OAR 660-038) was adopted by the Land Conservation and Development Commission in January 2016 after a year-long rulemaking process. We include the sections that directly pertain to buildable land inventories here for reference. A complete copy of the rule is available on the Oregon Secretary of State website: [http://arcweb.sos.state.or.us/pages/rules/oars\\_600/oar\\_660/660\\_038.html](http://arcweb.sos.state.or.us/pages/rules/oars_600/oar_660/660_038.html).

## 660-038-0010 - Definitions

The definitions in ORS 197.015, the statewide planning goals, and the following definitions apply to this division:

- (1) “Buildable lands” means land in urban or urbanizable areas that are suitable for urban uses, as provided in ORS 197A.300(1). Note: This definition applies to this division only; a different definition of “buildable lands” is provided in laws and rules concerning needed housing (ORS 197.295; OAR 660-007-0005 and 660-008-0005 and OAR 660-024-0010).
- (2) “Commercial” and “commercial use” mean office, retail, institutional and public employment land uses described by the North American Industry Classification System (NAICS) Categories 44, 45, 51, 52, 53, 54, 55, 56, 61, 62, 71, 72, 81, 92, and 99. These are land uses that generally do not require significant space for indoor or outdoor production or logistics.
- (3) “Industrial” and “industrial use” mean employment activities including, but not limited to, manufacturing, assembly, fabrication, processing, storage, logistics, warehousing, importation, distribution and transshipment, and research and development, that generate income from the production, handling or distribution of goods or services, including goods or services in the traded sector, as defined in ORS 285A.010. “Industrial use” means NAICS Categories 11, 21, 22, 23, 31, 32, 33, 42, 48, and 49. These are land uses that generally require significant space for indoor or outdoor production or logistics.
- (4) “Initiate” means that the local government issues a public notice specified in OAR 660-018-0020, including a notice to the Department of Land Conservation and Development, for a proposed plan amendment that concerns evaluating or amending a UGB.
- (5) “Nonresource land” has the meaning specified in OAR 660-004-0005(3).
- (6) “Range” means a range of numbers specified in rules in this division (see ORS 197A.325(2)(a)). A city may choose to use the number at either end of a stated range or any number between. Ranges allow a city to make choices regarding its future growth.

(7) “Serviceable” means, with respect to land supply in a UGB, and as described in OAR 660-038-0200, that:

(a) Adequate sewer, water and transportation capacity for planned urban development is available or can be either provided or made subject to committed financing; or

(b) Committed financing can be in place to provide adequate sewer, water and transportation capacity for planned urban development.

(8) “UGB” means “urban growth boundary.”

(9) “Urbanizable land” means land inside a UGB that, due to the present unavailability of urban facilities and services, or for other reasons, either retains the zone designations assigned prior to inclusion in the UGB or is subject to interim zone designations intended to maintain the land’s potential for planned urban development until appropriate public facilities and services are available or planned.

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

#### **660-038-0060 - Buildable Lands Inventory (BLI) for Residential Land within the UGB**

A city must determine the supply and development capacity of lands within its UGB by conducting a buildable lands inventory (BLI) as provided in this rule.

(1) For purposes of the BLI, the city shall classify the existing residential comprehensive plan and zoning designations within its UGB based on allowed density. The classification shall be based on either:

(a) The allowed density and housing types on the comprehensive plan map; or

(b) If the comprehensive plan map does not differentiate residential districts by density or type of housing, the applicable city or county zoning map, as follows:

(A) For cities with a UGB population less than 2,500, districts shall be classified as follows:

(i) Districts with a maximum density less than or equal to eight dwelling units per acre: low density residential. A city may classify a district as low density residential despite a maximum density of greater than eight dwelling units per acre if the majority of existing residences within the district are single-family detached and if the city has a medium density residential district as determined by subparagraph (ii);

(ii) Districts with a maximum density greater than eight dwelling units per acre: medium density residential.

(B) For cities with UGB populations greater than or equal to 2,500, districts shall be classified as follows:

(i) Districts with a **maximum density less than or equal to eight dwelling units per acre: low density residential**. A city may classify a district as low density residential despite a maximum density of greater than eight dwelling units per acre if the majority of existing residences within the district are single-family detached and the city has a medium density residential district as determined by subparagraph (ii);

(ii) Districts with a **maximum density greater than eight dwelling units per acre and less than or equal to 16 dwelling units per acre: medium density residential**, unless the district has been classified as low density residential pursuant to subparagraph (i). A city may classify a district as medium density residential despite a maximum density of greater than 16 dwelling units per acre if the majority of development within the district is developed at densities of between eight and 16 dwelling units per net acre and the city has a high density residential district as determined by subparagraph (iii);

(iii) Districts with a **maximum density greater than 16 dwelling units per acre: high density residential**, unless the district has been classified as medium density residential pursuant to subparagraph (ii);

(iv) A city may not classify as low density a district that allows higher residential densities than a district the city has classified as medium density. A city may not classify as medium density a district that allows higher residential densities than a district the city has classified as high density.

(2) The city must identify all vacant lots and parcels with a residential comprehensive plan designation. A city shall assume that a lot or parcel is **vacant if it is at least 3,000 square feet with a real market improvement value of less than \$10,000**.

(3) The city must identify all partially vacant lots and parcels with a residential comprehensive plan designation, as follows:

(a) For lots and **parcels at least one-half acre in size that contain a single-family residence, the city must subtract one-quarter acre for the residence**, and count the remainder of the lot or parcel as vacant land, and

(b) For lots and parcels at least **one-half acre in size that contain more than one single-family residence, multiple-family residences, non-residential uses, or ancillary uses such as parking areas and recreational facilities, the city must identify vacant areas using an orthophoto or other map of comparable geometric accuracy**. For the purposes of this identification, **all publicly owned park land shall be considered developed**. If the vacant area is at least one-quarter acre, the city shall consider that portion of the lot or parcel to be vacant land.

(4) The city must determine the amount and mapped location of low density, medium density, and high density vacant and partially vacant land in residential plan or zone districts within the city's UGB.

(5) The city must, within the city limits,

(a) Identify all lots and parcels within a residential district that are developed;

(b) Identify all portions of partially vacant lots and parcels within a residential district that are developed with residential uses;

- (c) Calculate the total area of land identified in (a) and (b);
- (d) Calculate the total number of existing dwelling units located on the land identified in (a) and (b); and
- (e) Calculate the net density of residential development on the land identified in (a) and (b).

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

### **660-038-0070 - Adjust Residential Lands Inventory to Account for Constrained Lands**

A city must adjust the inventory of residential lands prepared under OAR 660-038-0060 to account for constrained lands using this rule.

(1) The city must identify the following physical constraints on land inventoried as vacant or partially vacant under OAR 660-038-0060:

- (a) Floodways and water bodies. For the purpose of this subsection, “water bodies” includes;
  - (A) Rivers; and
  - (B) Lakes, ponds, sloughs, and coastal waters at least one-half acre in size.
- (b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;
- (c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;
- (d) Contiguous lands of at least one acre with slopes greater than 25 percent. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;
- (e) Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and
- (f) Lands subject to development prohibitions, natural resource protections, or both in acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 15, 16, 17, or 18.

(2) For lands identified in section (1), the city may reduce the estimated residential development capacity by the following factors in terms of acreage:

- (a) For lands within floodways and water bodies: a 100 percent reduction.
- (b) For other lands within Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map: a 100 percent reduction.

(c) For lands within the tsunami inundation zone: no reduction unless the acknowledged comprehensive plan or land use regulations applicable to such areas prohibits or reduces residential development, in which case the reduction shall be based upon the maximum density allowed by the acknowledged comprehensive plan or land use regulation.

(d) For lands with slopes that are greater than 25 percent: a 100 percent reduction. However, if the lot or parcel includes land with slopes less than 25 percent, the reduction applies only to the land with slopes greater than 25 percent. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;

(e) For lands subject to development restrictions in an acknowledged comprehensive plan or land use regulations developed pursuant to Statewide Planning Goals 5, 6, or 7: a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

(f) For lands subject to development prohibitions, natural resource protections, or both, in an acknowledged comprehensive plan or land use regulations that implements Statewide Planning Goals 15, 16, 17 or 18: a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

(3) The residential BLI amount for each type of needed housing for a city is the amount of buildable land for that needed housing type determined in OAR 660-038-0060 reduced by the constraints as determined in this rule.

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

### **660-038-0120 - Inventory of Buildable Employment Land within the UGB**

A city must determine the supply and development capacity of employment lands within its UGB at the time of initiation by conducting a buildable lands inventory (BLI) for employment land as provided in this rule and OAR 660-038-00130.

(1) For purposes of the employment BLI, the city shall classify the existing employment zoning districts and plan map districts within its UGB as either “commercial” or “industrial” based on the applicable definitions in OAR 660-038-0010. Districts that allow both commercial and industrial uses as per the definition must be classified as one or the other, based on the intent of the plan and with consideration of whether the predominant NAICS categories allowed by the district are characteristic of a commercial or industrial use.

(2) The city must identify all lots and parcels in the UGB with either a commercial or industrial designation on the comprehensive plan map or zoning district, determine which lots or parcels are vacant, partially vacant, or developed and calculate the total area of such land, as follows:

(a) A city may assume that a lot or parcel is **vacant if the real market improvement value is less than \$5,000 or if the real market improvement value is less than or equal to 5 percent of the real market land value.**

(b) A city may assume that a lot or parcel is partially vacant if either:

(A) The real market improvement value of the lot or parcel is greater than **five percent and less than 40 percent of the real market land value, in which case, the city must assume that 50 percent of the lot or parcel is developed and 50 percent is vacant, or**

(B) Based on an orthomap, the lot or parcel is greater than **one acre in size and at least one-half acre is not improved.**

(c) A city may assume that a lot or parcel is **developed if the real market improvement value is greater than or equal to 40 percent of the real market land value.**

(3) The city must use the results of section (2) to determine the current density of employment land within the UGB under OAR 660-038-0140(4) and (5).

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

#### **660-038-0130**

##### **Adjust Employment Buildable Land Inventory to Account for Constrained Lands**

A city must adjust the employment buildable lands inventory determined under OAR 660-038-0120 to account for constrained lands using this rule.

(1) The city must identify the following physical constraints on employment land inventoried under OAR 660-038-0120:

(a) Floodways and water bodies. For the purpose of this subsection, “water bodies” includes:

(A) Rivers; and

(B) Lakes, ponds, sloughs, and coastal waters at least one-half acre in size;

(b) Other lands within the Special Flood Hazard Area as identified on the applicable Flood Insurance Rate Map;

(c) Lands within the tsunami inundation zone established pursuant to ORS 455.446;

(d) Contiguous lands planned and zoned for **commercial use of at least one acre with slopes that are greater than 25 percent.** For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;

(e) Contiguous lands planned and zoned for **industrial use of at least one acre with slopes that are greater than 10 percent.** For purposes of this rule, slope shall be measured as the increase in elevation divided by the horizontal distance at maximum 10-foot contour intervals;

(f) Lands subject to development restrictions as a result of acknowledged comprehensive plan or land use regulations to implement Statewide Planning Goals 5, 6, or 7, and

(f) Lands subject to development prohibitions, natural resource protections, or both, in an acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goals 15, 16, 17, or 18.

(2) For lands identified in section (1), the city may reduce the estimated development capacity by the following factors in terms of acreage:

(a) For lands within floodways and water bodies: a 100 percent reduction.

(b) For other lands within the Special Flood Hazard Area (SFHA) as identified on the applicable Flood Insurance Rate Map (FIRM), either (at the city's option):

(A) A 50 percent reduction, or

(B) A reduction to the levels required by the acknowledged comprehensive plan or land use regulations.

(c) For lands within the tsunami inundation zone: no reduction unless the acknowledged comprehensive plan or land use regulations applicable to such areas prohibits or reduces allowed development, in which case the reduction shall be based upon the maximum density allowed by the acknowledged comprehensive plan or land use regulations.

(d) For lands designated for commercial use, contiguous lands of at least one acre with slope greater than 25 percent: a 100 percent reduction, provided that if such land includes slopes less than 25 percent, the reduction applies only to those areas with slopes greater than 25 percent. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;

(e) For lands designated for industrial use, contiguous lands of at least one acre with slope greater than 10 percent: a 100 percent reduction, provided that a lot or parcel with slopes greater than 10 percent that has at least five contiguous acres with slopes less than 10 percent, this authorized reduction does not apply to those areas.

(f) For lands subject to restrictions in density or location of development in an acknowledged comprehensive plan or land use regulations developed pursuant to Statewide Planning Goals 5, 6, or 7: a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

(g) For lands subject to development prohibitions, natural resource protections, or both, in an acknowledged comprehensive plan or land use regulations that implements Statewide Planning Goals 15, 16, 17, or 18: a reduction to the maximum level of development authorized by the acknowledged comprehensive plan or land use regulations.

(3) The amount of buildable land in the UGB designated for commercial and industrial uses is that amount determined in OAR 660-038-0120 reduced by the constraints determined under section (2) of this rule.

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

### **660-038-0160 - Establishment of Study Area to Evaluate Land for Inclusion in the UGB**

Cities shall comply with this rule and OAR 660-038-0170 when determining which lands to include within the UGB in response to a deficit of land to meet long-term needs determined under OAR 660-038-0080, 660-038-0150, or both.

(1) The city shall determine which land to add to the UGB by evaluating alternative locations within a “study area” established pursuant to this rule. To establish the study area, the city must first identify a **“preliminary study area”** which **shall not include land within a different UGB** or the corporate limits of a city within a different UGB. The preliminary study area shall include:

(a) All lands in the city’s acknowledged urban reserve, if any;

(b) All lands that are within the following distance from the acknowledged UGB, except as provided in subsection (d):

(A) For cities with a UGB population less than 10,000: one-half mile;

(B) For cities with a UGB population equal to or greater than 10,000: one mile;

(c) All exception areas contiguous to an exception area that includes land within the distance specified in subsection (b) and that are within the following distance from the acknowledged UGB:

(A) For cities with a UGB population less than 10,000: one mile;

(B) For cities with a UGB population equal to or greater than 10,000: one and one-half miles;

(d) At the discretion of the city, the preliminary study area may include land that is beyond the distance specified in subsections (b) and (c).

(2) The city may exclude land from the preliminary study area if it determines that any of the conditions in this section apply to the land:

(a) Based on the standards in section (5) of this rule, it is impracticable to provide necessary public facilities or services to the land;

(b) The land is subject to significant development hazards, due to a risk of:

(A) Landslides: The land consists of a landslide deposit or scarp flank that is described and mapped on the Statewide Landslide Information Database for Oregon (SLIDO) Release 3.2 Geodatabase published by the Oregon Department of Geology and Mineral Industries (DOGAMI) December 2014, provided that the deposit or scarp flank in the data source is mapped at a scale of 1:40,000 or finer. If the owner of a lot or parcel provides the city with a site-specific analysis by a certified engineering geologist



demonstrating that development of the property would not be subject to significant landslide risk, the city may not exclude the lot or parcel under this paragraph;

(B) Flooding, including inundation during storm surges: the land is within the Special Flood Hazard Area (SFHA) identified on the applicable Flood Insurance Rate Map (FIRM);

(C) Tsunamis: the land is within a tsunami inundation zone established pursuant to ORS 455.446.

(c) The land consists of a significant scenic, natural, cultural or recreational resource described in this subsection:

(A) Land that is designated in an acknowledged comprehensive plan prior to initiation of the UGB amendment, or that is mapped on a published state or federal inventory at a scale sufficient to determine its location for purposes of this rule, as:

(i) Critical or essential habitat for a species listed by a state or federal agency as threatened or endangered;

(ii) Core habitat for Greater Sage Grouse; or

(iii) Migration corridors or big game winter range, except where located on lands designated as urban reserves or exception areas;

(B) Federal Wild and Scenic Rivers and State Scenic Waterways, including Related Adjacent Lands described by ORS 390.805, as mapped by the applicable state or federal agency responsible for that scenic program;

(C) Designated Natural Areas on the Oregon State Register of Natural Heritage Resources;

(D) Wellhead protection areas described under OAR 660-023-0140 and delineated on a local comprehensive plan;

(E) Aquatic areas subject to Statewide Planning Goal 16 that are in a Natural or Conservation management unit designated in an acknowledged comprehensive plan;

(F) Lands subject to acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goal 17, Coastal Shoreland, Use Requirement 1;

(G) Lands subject to acknowledged comprehensive plan or land use regulations that implement Statewide Planning Goal 18, Implementation Requirement 2.

(d) The land is owned by the federal government and managed primarily for rural uses.

(3) After excluding land from the preliminary study area under section (2), the city must adjust the study area, if necessary, so that it includes an amount of land that is at least twice the amount of land needed to satisfy the combined need deficiency determined under OAR 660-038-0080 and 660-038-0150. Such adjustment shall be made by expanding the applicable distance specified under section (1) and applying section (2) to the expanded area.

(4) For purposes of evaluating the priority of land under OAR 660-038-0170, the “study area” shall consist of all land that remains in the preliminary study area described in section (1) of this rule after adjustments to the area based on sections (2) and (3).

(5) For purposes of subsection (2)(a), the city may consider it impracticable to provide necessary public facilities or services to the following lands:

(a) Contiguous areas of at least five acres where 75 percent or more of the land has a slope of 25 percent or greater; provided that contiguous areas 20 acres or more that are less than 25 percent slope may not be excluded under this subsection. Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals;

**(b) Lands requiring the construction of a new freeway interchange, overpass, underpass, or similar improvement to accommodate planned urban development providing such improvement is not currently identified in the Statewide Transportation Improvement Program (STIP) for construction within the planning period;**

(c) Land that is isolated from existing service networks by physical, topographic, or other impediments to service provision such that it is impracticable to provide necessary facilities or services to the land within the planning period. The city’s determination shall be based on an evaluation of:

(A) The likely amount of development that could occur on the land within the planning period;

(B) The likely cost of facilities and services; and,

(C) Any substantial evidence collected by or presented to the city regarding how similarly situated land in the region has, or has not, developed over time.

(d) As used in this section, “impediments to service provision” may include but are not limited to:

(A) Major rivers or other water bodies that would require new bridge crossings to serve planned urban development;

(B) Topographic features such as canyons or ridges with slopes exceeding 40 percent and vertical relief of greater than 80 feet;

**(C) Freeways, rail lines, or other restricted access corridors that would require new grade separated crossings to serve planned urban development;**

(D) Significant scenic, natural, cultural or recreational resources on an acknowledged plan inventory and subject protection measures under the plan or implementing regulations, or on a published state or federal inventory, that would prohibit or substantially impede the placement or construction of necessary public facilities and services.

(6) Land may not be excluded from the preliminary study area based on a finding of impracticability that is primarily a result of existing development patterns. However, a city may forecast development capacity for such land as provided in OAR 660-038-0170(1)(d).

(7) A city that has a population of 10,000 or more that evaluates or amends its UGB using a method described in this division, must notify districts and counties that have territory within the study area in the manner required by ORS 197A.315 and meet other applicable requirements in that statute.

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

### **660-038-0170 - Evaluation of Land in the Study Area for Inclusion in the UGB; Priorities**

(1) A city considering a UGB amendment must decide which land to add to the UGB by evaluating all land in the study area determined under OAR 660-038-0160, as follows:

(a) Beginning with the highest priority category of land described in section (2), the city must apply section (5) to **determine which land in that priority category is suitable to satisfy the need deficiency** determined under OAR 660-038-0080 and 660-038-0150 and select for inclusion in the UGB as much of the land as necessary to satisfy the need.

(b) **If the amount of suitable land in the first priority category is not adequate to satisfy the identified need deficiency**, the city must apply section (5) to determine which land in the next priority is suitable and select for inclusion in the UGB as much of the suitable land in that priority as necessary to satisfy the need. The city must proceed in this manner until all the land need is satisfied.

(c) If the **amount of suitable land in a particular priority category in section (2) exceeds the amount necessary to satisfy the need deficiency**, the city must choose which land in that priority to include in the UGB by applying the criteria in section (7) of this rule.

(d) In evaluating the sufficiency of land to satisfy a need under this section, the city may consider factors that reduce the capacity of the land to meet the need, including factors identified in sections (5) and (6) of this rule.

(e) Land that is determined to not be suitable under section (5) of this rule to satisfy the need deficiency determined under OAR 660-038-0080 or 660-038-0150 is not required to be selected for inclusion in the UGB unless its inclusion is necessary to serve other higher priority lands.

(2) Priority of Land for inclusion in a UGB:

(a) **First priority is urban reserve, exception land, and nonresource land.** Lands in the study area that meet the description in paragraphs (A) through (C) of this subsection are of equal (first) priority:

(A) Land designated as an urban reserve under OAR chapter 660, division 21, in an acknowledged comprehensive plan;

(B) Land that is subject to an acknowledged exception under ORS 197.732; and

(C) Land that is nonresource land.

(b) **Second priority is marginal land:** land within the study area that is designated as marginal land under ORS 197.247 (1991 Edition) in the acknowledged comprehensive plan.

(c) **Third priority is forest or farm land that is not predominantly high-value farmland:** land within the study area that is designated for forest or agriculture uses in the acknowledged comprehensive plan that is not predominantly high-value farmland, as defined in ORS 195.300, or that does not consist predominantly of prime or unique soils, as determined by the United States Department of Agriculture Natural Resources Conservation Service (USDA NRCS). In selecting as much of the suitable land as necessary to satisfy the need, the city must use the agricultural land capability classification system or the cubic foot site class system, as appropriate for the acknowledged comprehensive plan designation, to select lower capability or cubic foot site class lands first.

(d) **Fourth priority is farmland that is predominantly high-value farmland:** land within the study area that is designated as agricultural land in an acknowledged comprehensive plan and is predominantly high-value farmland as defined in ORS 195.300. A city may not select land that is predominantly made up of prime or unique farm soils, as defined by the USDA NRCS, unless there is an insufficient amount of other land to satisfy its land need. In selecting as much of the suitable land as necessary to satisfy the need, the city must use the agricultural land capability classification system to select lower capability lands first.

(3) Notwithstanding subsections (2)(c) or (d) of this rule, land that would otherwise be excluded from a UGB may be included if:

(a) The land contains a small amount of third or fourth priority land that is not important to the commercial agricultural enterprise in the area and the land must be included in the UGB to connect a nearby and significantly larger area of land of higher priority for inclusion within the UGB; or

(b) The land contains a small amount of third or fourth priority land that is not predominantly high-value farmland or predominantly made up of prime or unique farm soils and the land is completely surrounded by land of higher priority for inclusion into the UGB.

(4) For purposes of categorizing and evaluating land pursuant to subsections (2)(c) and (d) and section (3) of this rule:

(a) **Areas of land not larger than 100 acres may be grouped together and studied as a single unit of land;**

(b) Areas of land larger than 100 acres that are similarly situated and have similar soils may be grouped together provided soils of lower agricultural or forest capability may not be grouped with soils of higher capability in a manner inconsistent with the intent of section (2) of this rule, which requires that higher capability resource lands shall be the last priority for inclusion in a UGB;

(c) When determining whether the land is predominantly high-value farmland, or predominantly prime or unique, “predominantly” means more than 50 percent.

(5) With respect to section (1), a city must assume that vacant or partially vacant land in a particular priority category is “suitable” to satisfy a need deficiency identified in OAR 660-038-0080 or 660-038-

0150, whichever is applicable, unless it demonstrates that the land cannot satisfy the need based on one or more of the conditions described in subsections (a) through (f) of this section:

(a) Existing parcelization, lot sizes or development patterns of rural residential land make that land unsuitable for an identified **employment** need, as follows:

(A) Parcelization: the land consists primarily of **parcels 2-acres** or less in size, or

(B) Existing development patterns: the land cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure.

(b) The land would qualify for exclusion from the preliminary study area under the factors in OAR 660-038-0160(2) but the city declined to exclude it pending more detailed analysis.

(c) The land is, or will be upon inclusion in the UGB, **subject to natural resources protection under Statewide Planning Goals 5** such that that no development capacity should be forecast on that land to meet the land need deficiency.

(d) With respect to **needed industrial uses only, the land is over 10 percent slope**, as measured in the manner described in OAR 660-038-0160(5); is an **existing lot or parcel that is smaller than 5 acres** in size; or both.

(e) The land is subject to a **conservation easement described in ORS 271.715** that prohibits urban development.

(f) The land is **committed to a use described in this subsection and the use is unlikely to be discontinued during the planning period:**

**(A) Public park, church, school, or cemetery, or**

(B) Land within the boundary of an airport designated for airport uses, but not including land designated or zoned for residential, commercial or industrial uses in an acknowledged comprehensive plan or land use regulations.

(6) For vacant or partially vacant lands added to the UGB to provide for **residential** uses:

(a) **Existing lots or parcels one acre or less may be assumed to have a development capacity of one dwelling unit per lot or parcel. Existing lots or parcels greater than one acre but less than two acres shall be assumed to have an aggregate development capacity of two dwelling units per acre.**

(b) In any subsequent review of a UGB pursuant to this division, the city may use a development assumption for land described in subsection (a) of this section for a period of up to 14 years from the date the lands were added to the UGB.

(7) Pursuant to subsection (1)(c), if the amount of suitable land in a particular priority category under section (2) exceeds the amount necessary to satisfy the need deficiency, the city must choose which land in that priority to include in the UGB by first applying the boundary location factors of Goal 14 and then applying applicable criteria in the comprehensive plan and land use regulations acknowledged prior

to initiation of the UGB evaluation or amendment. The city may not apply local comprehensive plan criteria that contradict the requirements of the boundary location factors of Goal 14. The boundary location factors are not independent criteria; when the factors are applied to compare alternative boundary locations and to determine the UGB location the city must demonstrate that it considered and balanced all the factors. The criteria in this section may not be used to select lands designated for agriculture or forest use that have higher land capability or cubic foot site class, as applicable, ahead of lands that have lower capability or cubic foot site class.

(8) The city must apply the boundary location factors in coordination with service providers and state agencies, including the Oregon Department of Transportation (ODOT) with respect to Factor 2 regarding impacts on the state transportation system, and the Oregon Department of Fish and Wildlife (ODFW) and the Department of State Lands (DSL) with respect to Factor 3 regarding environmental consequences. "Coordination" includes timely notice to agencies and service providers and consideration of any recommended evaluation methodologies.

(9) In applying Goal 14 Boundary Location Factor 2, to evaluate alternative locations under section (7), the city must compare 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. For purposes of this section, the term "public facilities and services" means water, sanitary sewer, storm water management, and transportation facilities. The evaluation and comparison under Boundary Location Factor 2 must consider:

- (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.

(10) The adopted findings for UGB amendment must describe or map all of the alternative areas evaluated in the boundary location alternatives analysis.

Stat. Auth.: ORS 197.040, 197A.305, 197A.320 & 197.235

Stats. Implemented: ORS 197A.300, 197A.302, 197A.305, 197A.310, 197A.312, 197A.315, 197A.320 & 197A.325

Hist.: LCDD 6-2015, f. 12-29-15, cert. ef. 1-1-16

# Newberg Buildable Lands Inventory: Preliminary Results

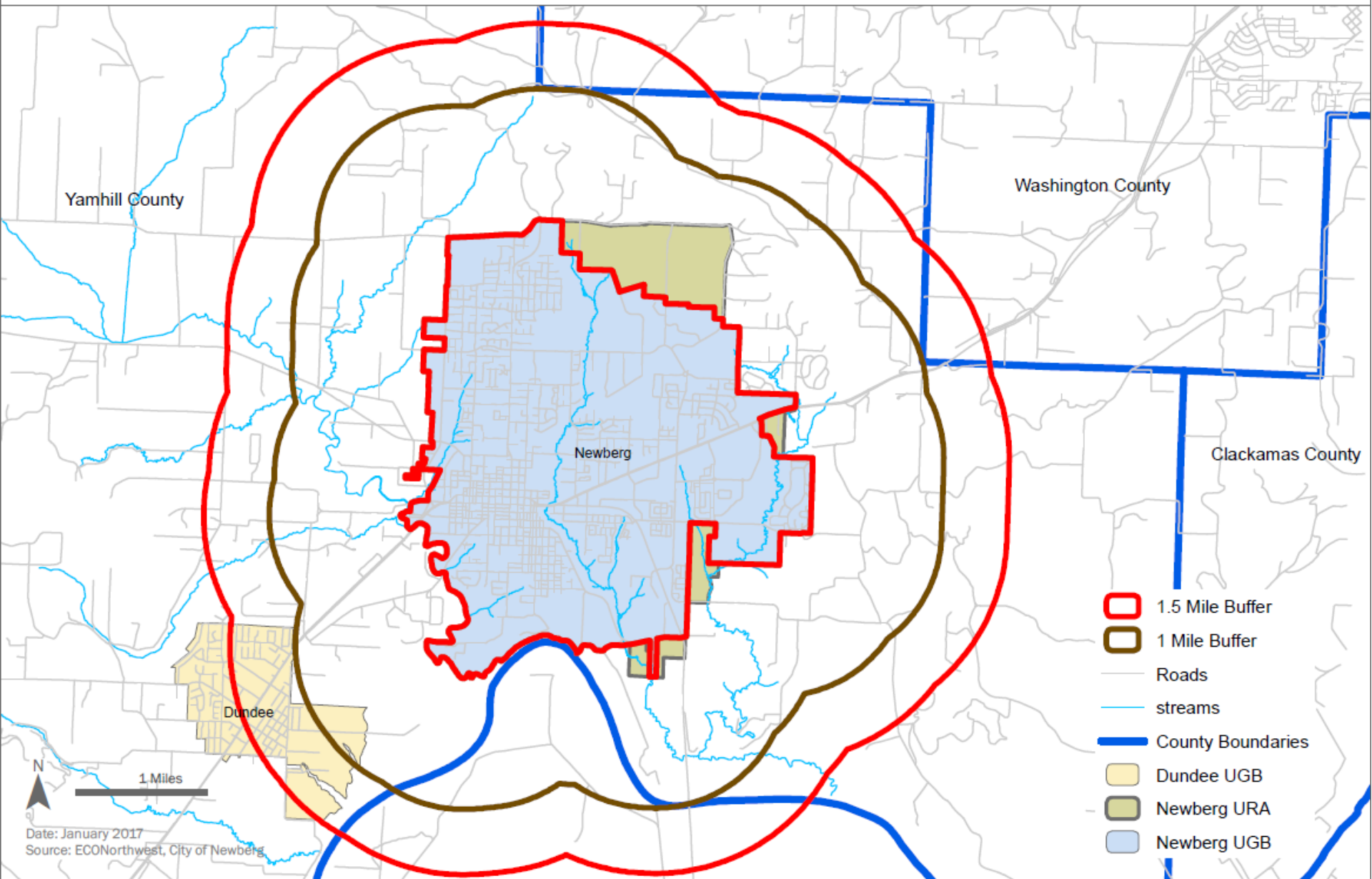
# Purpose

- Develop and updated land inventory using the Division 38 simplified methods
- Prepare Newberg for a UGB amendment process in 2017 based on new population forecasts from PSU



# NEWBERG BLI 2016

## Newberg UGB, URA, and Study Area Buffers



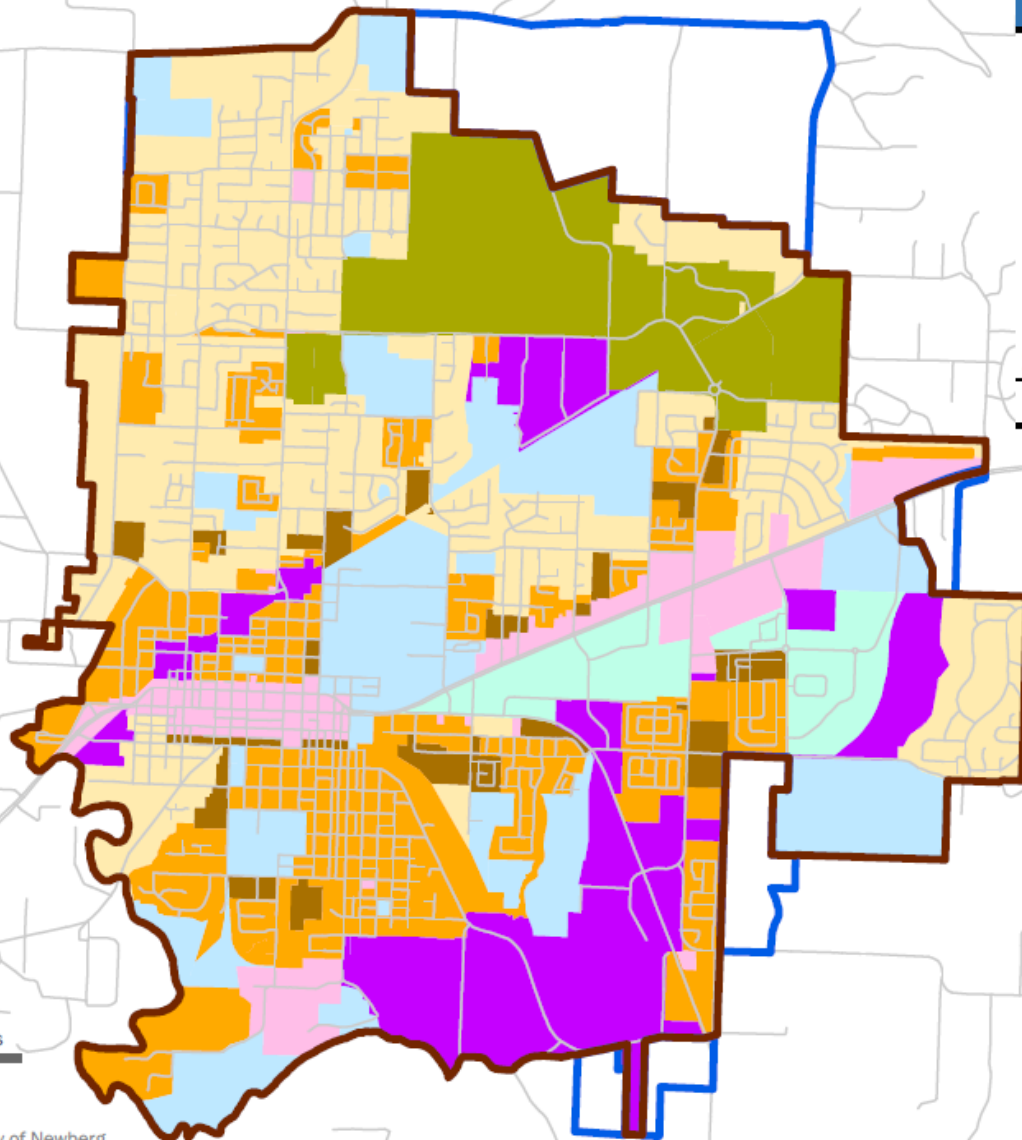
# General Characteristics

- Four key geographies
  - Newberg UGB
  - Newberg URA
  - All lands within 1-mile buffer
  - Exceptions lands within 1.5 mile buffer

Location/Attribute	Acres
<b>UGB</b>	<b>4,476</b>
Area in Private Tax Lots	3,072
Public Land in Tax Lots	687
Roads/Right-of-Way	717
<b>URA</b>	<b>551</b>
Area in Private Tax Lots	527
Area in Roads	24
<b>Buffer (outside UGB and URA)</b>	
1-mile	4,700
1.5-mile	10,069

# NEWBERG BLI 2016

## Newberg UGB Generalized Plan Designation



Generalized Plan Designation	Acres
Commercial	281
Industrial	533
Low Density Residential	1,232
Medium Density Residential	888
High Density Residential	152
Mixed-Use	196
Public	707
Springbrook Master Plan	487
<b>Total</b>	<b>4,475</b>

- Newberg UGB
- Newberg URA
- Roads
- Generalized Plan Designation**
- Commercial
- High Density Residential
- Industrial
- Low Density Residential
- Medium Density Residential
- Mixed-Use
- Public
- Springbrook Master Plan

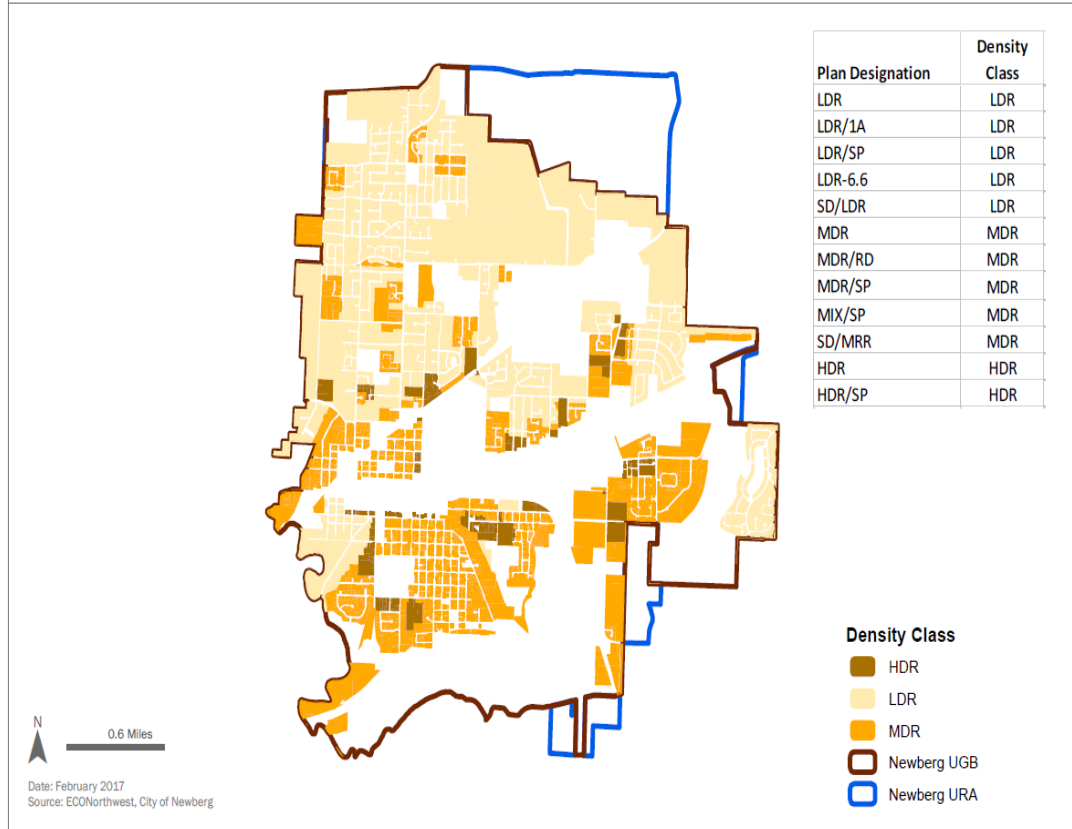
# Residential BLI

# Residential BLI: Steps

1. Classify plan designations/zones by allowed density
2. Classify land by improvement status
3. Identify and summarize land by improvement status
4. Deduct constraints

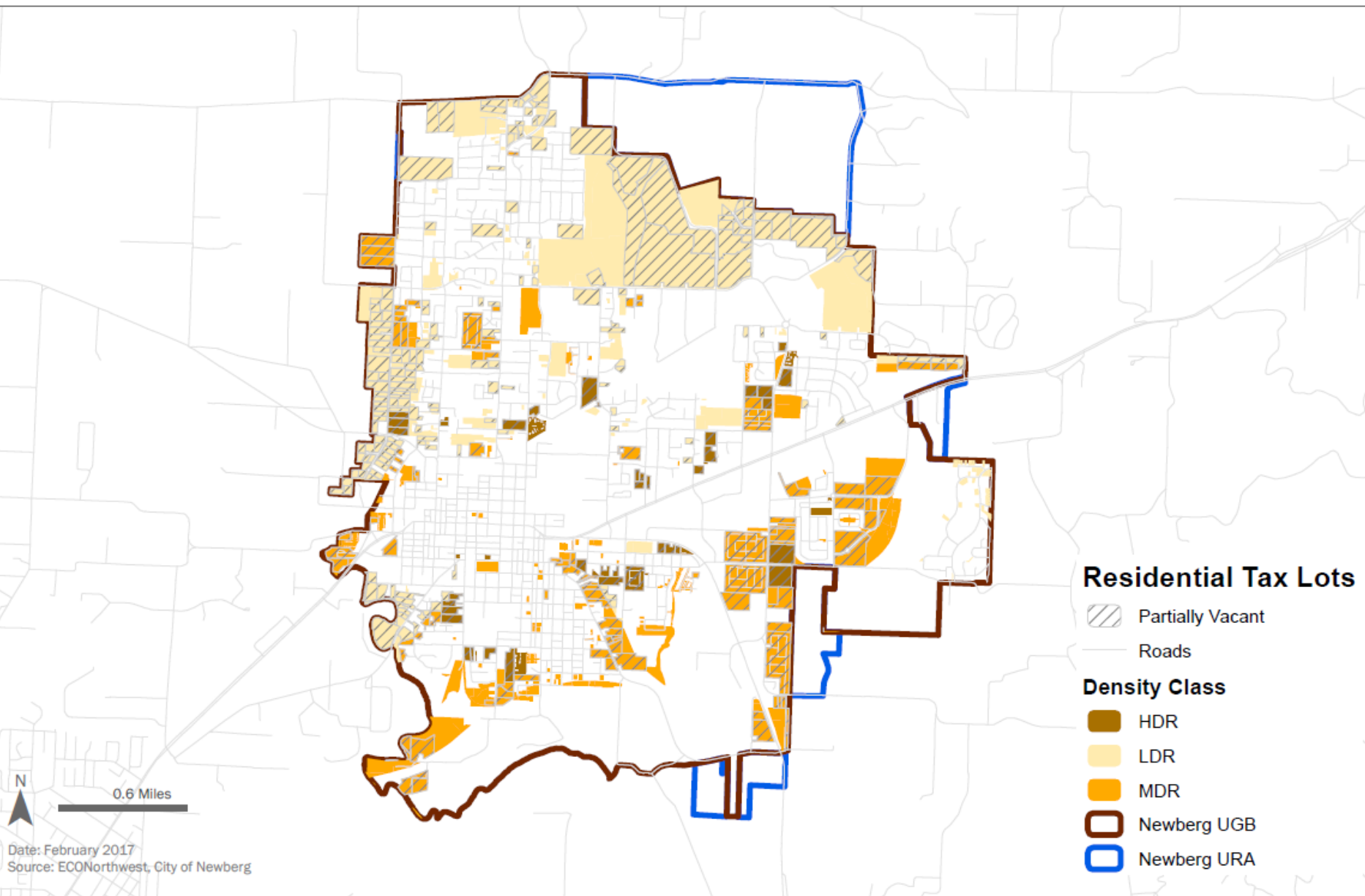
## NEWBERG BLI 2016

### Division 38 - Residential Density Class



# NEWBERG BLI 2016

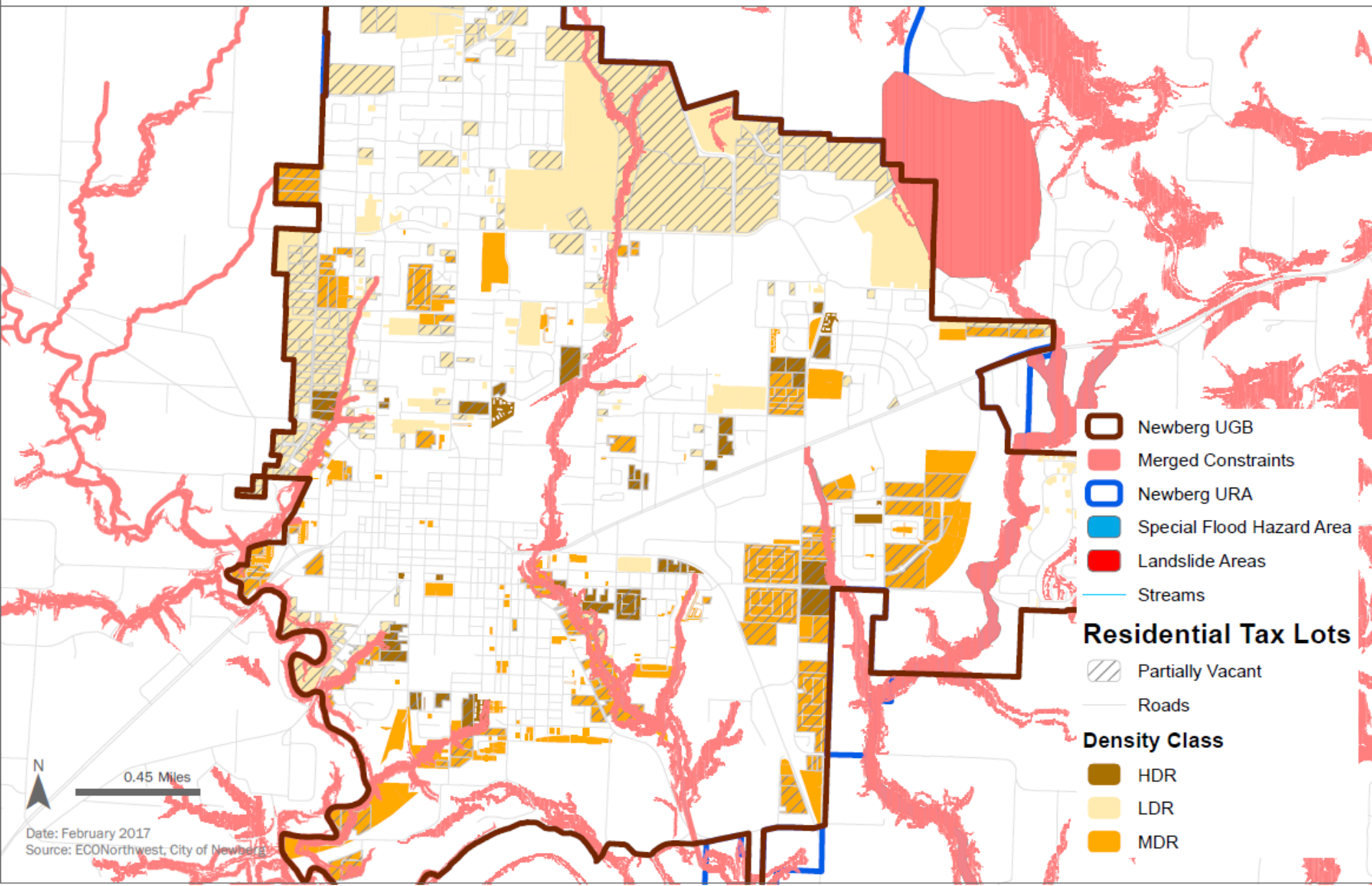
## Vacant and Partially Vacant Residential Land by Density Class



Date: February 2017  
Source: ECONorthwest, City of Newberg

# NEWBERG BLI 2016

## Vacant and Partially Vacant Residential Land by Density Class



# Residential Land –Results

## Total Acres by Status and Density

Status	Density Category			Total
	LDR	MDR	HDR	
Developed	564	350	33	948
Partially Vacant	448	261	81	790
Vacant	279	162	12	454
<b>Total</b>	<b>1,292</b>	<b>773</b>	<b>127</b>	<b>2,192</b>

## Vacant/PV Acres by Density (and development status)

Div 38 Density Class	Tax Lots	Total Acres	Improved Acres	Constrained Acres	Vacant Acres
LDR	3,339	1,292	634	93	565
MDR	2,800	773	385	77	311
HDR	407	127	42	9	76
<b>Total</b>	<b>6,546</b>	<b>2,192</b>	<b>1,061</b>	<b>179</b>	<b>952</b>

### Constraints:

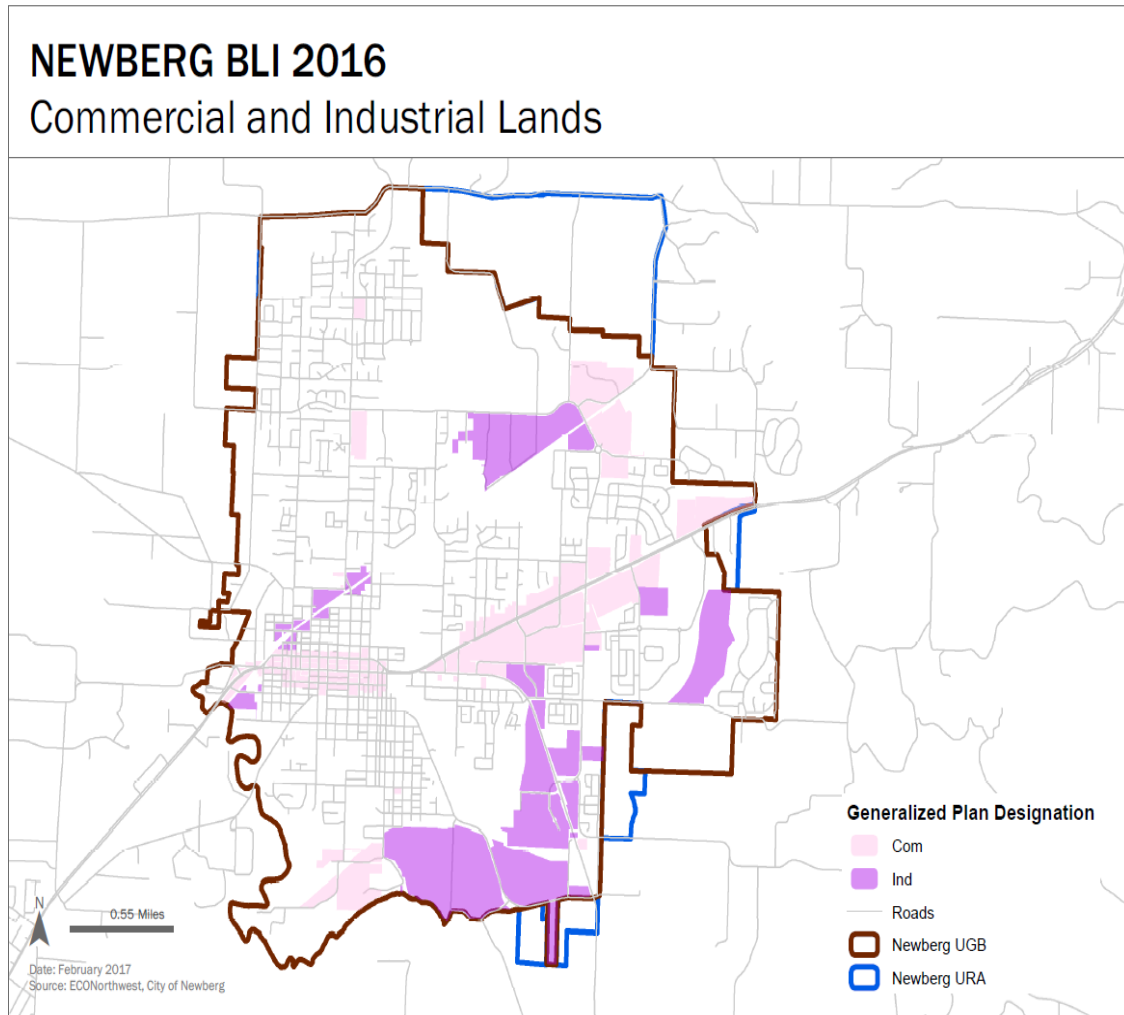
- Slope 25% +
- Floodway, 100 yr floodplain
- Stream corridors
- Landslide hazard



# Employment BLI

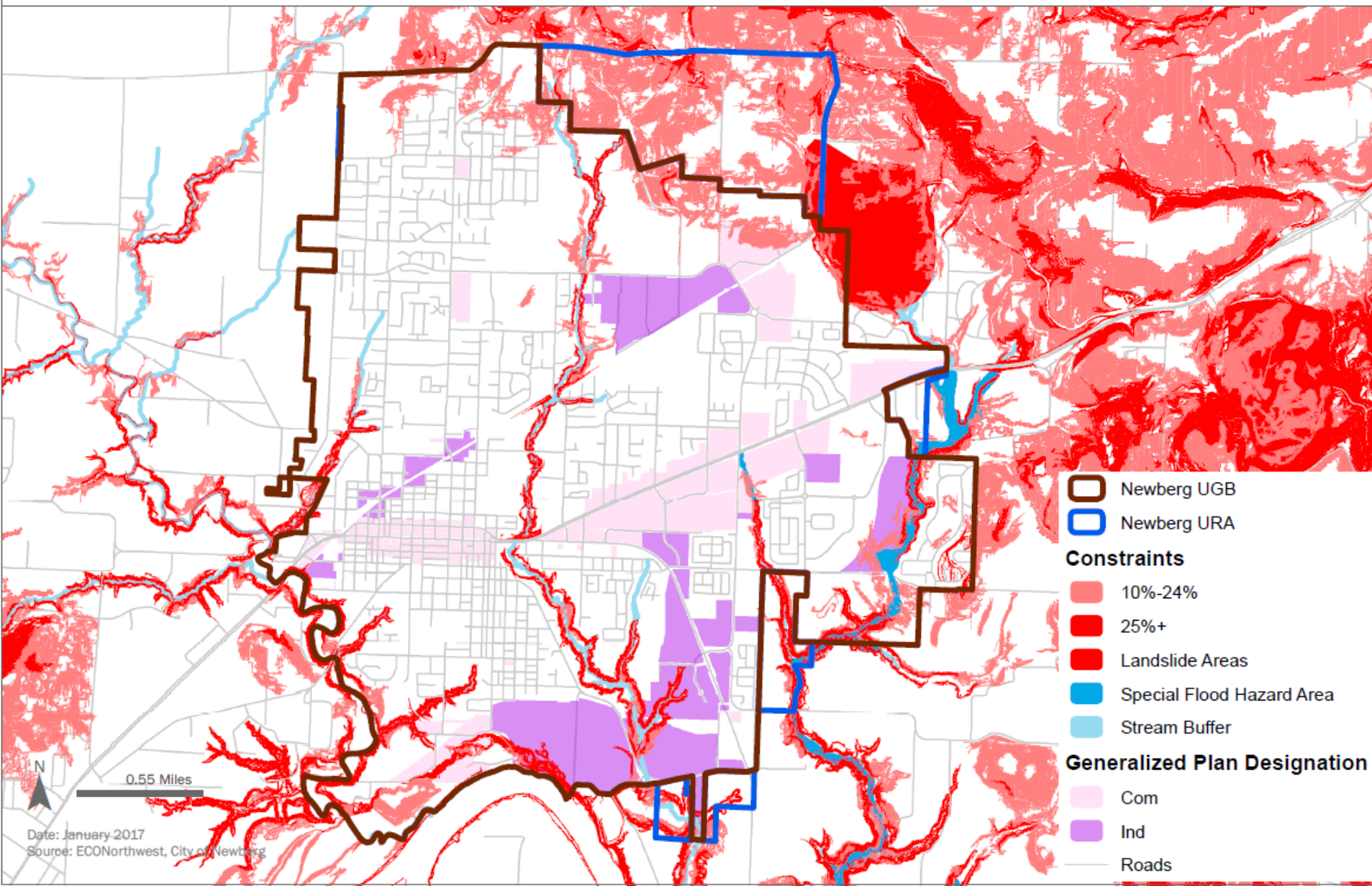
# Employment BLI: Steps

1. Classify existing employment districts as “commercial” or “industrial”
2. Classify lands by improvement status
3. Deduct constraints



# NEWBERG BLI 2016

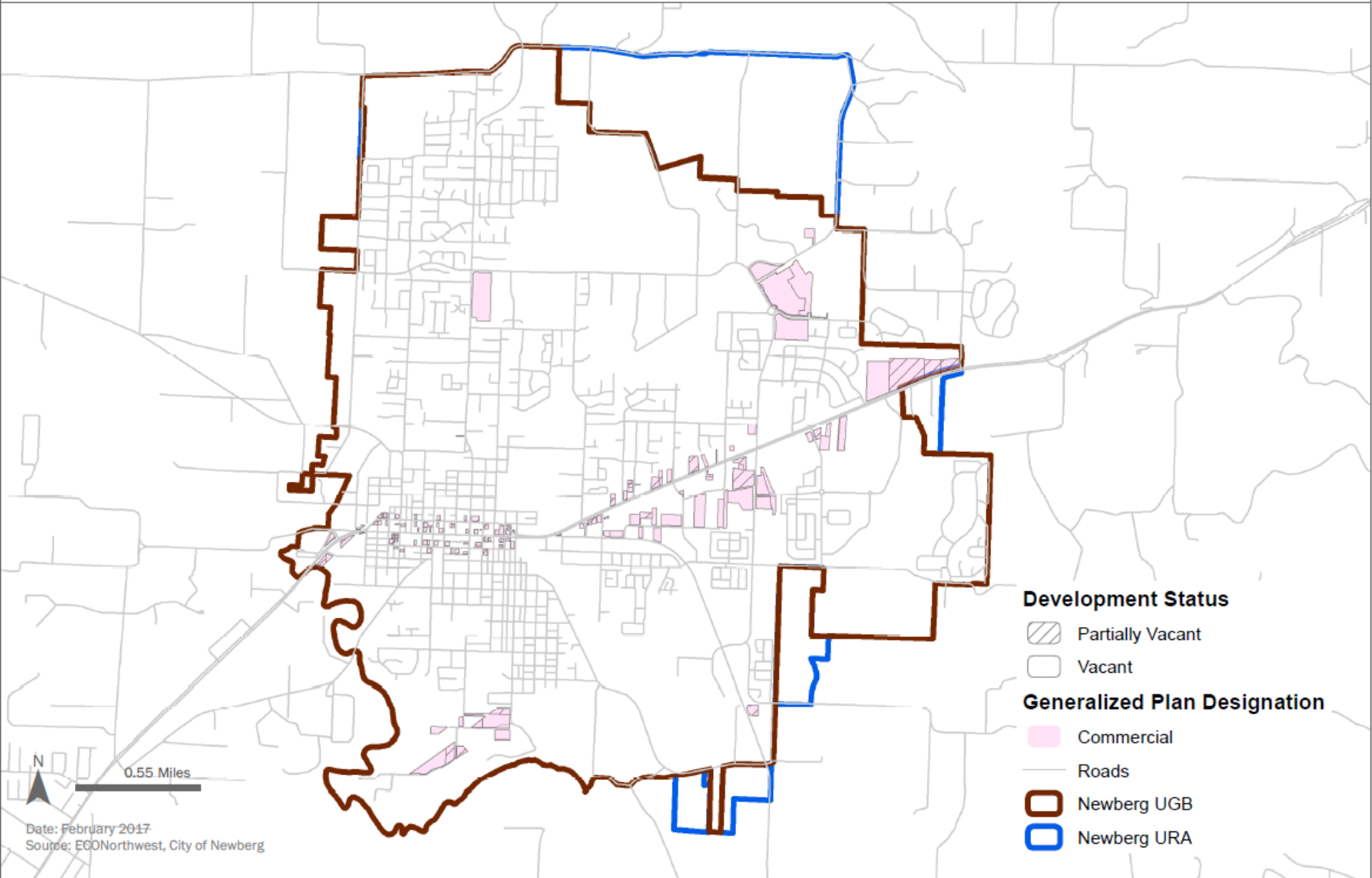
## Commercial and Industrial Lands



# Commercial Lands

# NEWBERG BLI 2016

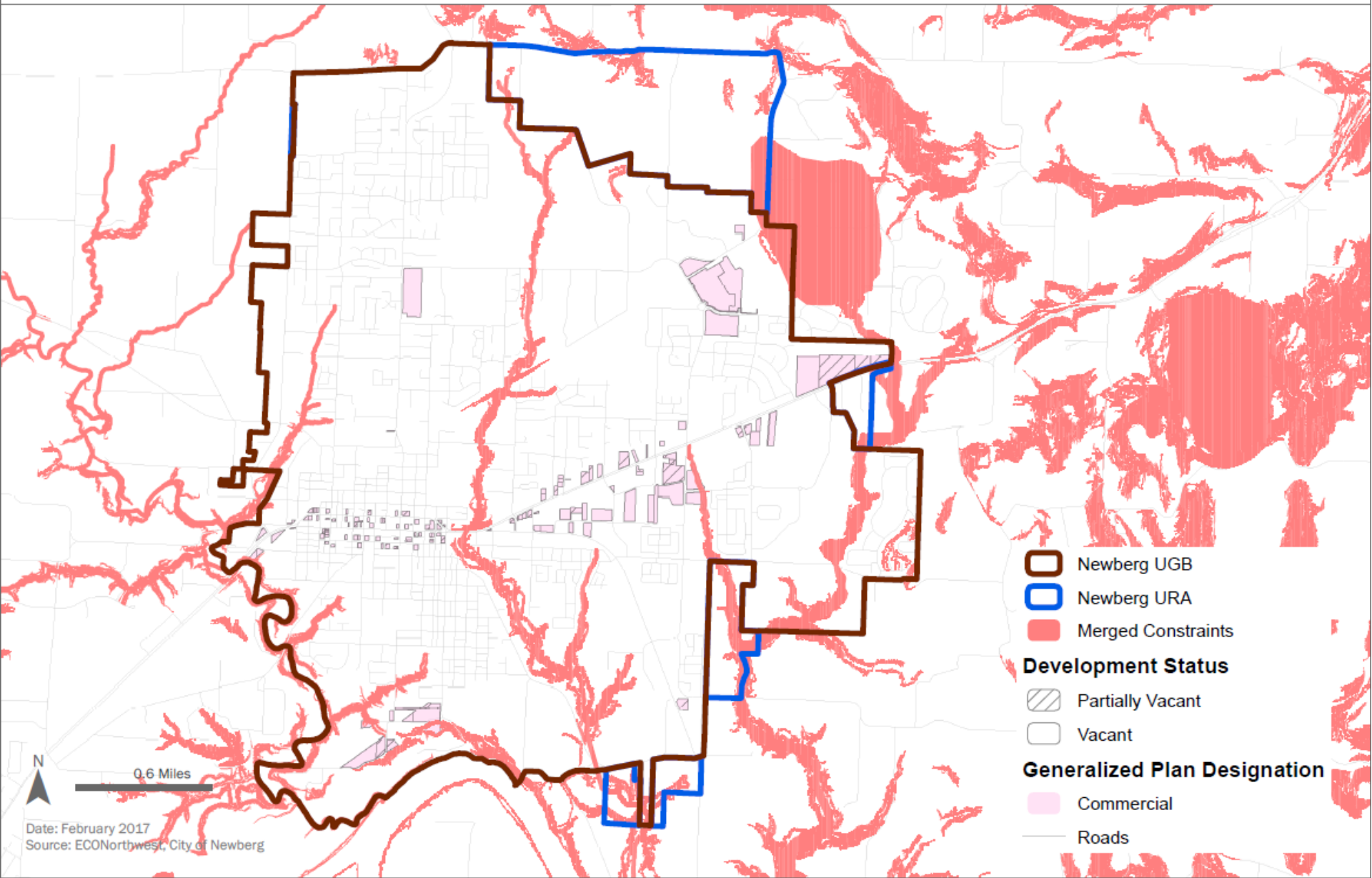
## Vacant and Partially Vacant Commercial Lands



Date: February 2017  
Source: ECONorthwest, City of Newberg

# NEWBERG BLI 2016

## Vacant and Partially Vacant Commercial Lands and Constraints



# Commercial BLI: Results

## Commercial Acres by Status

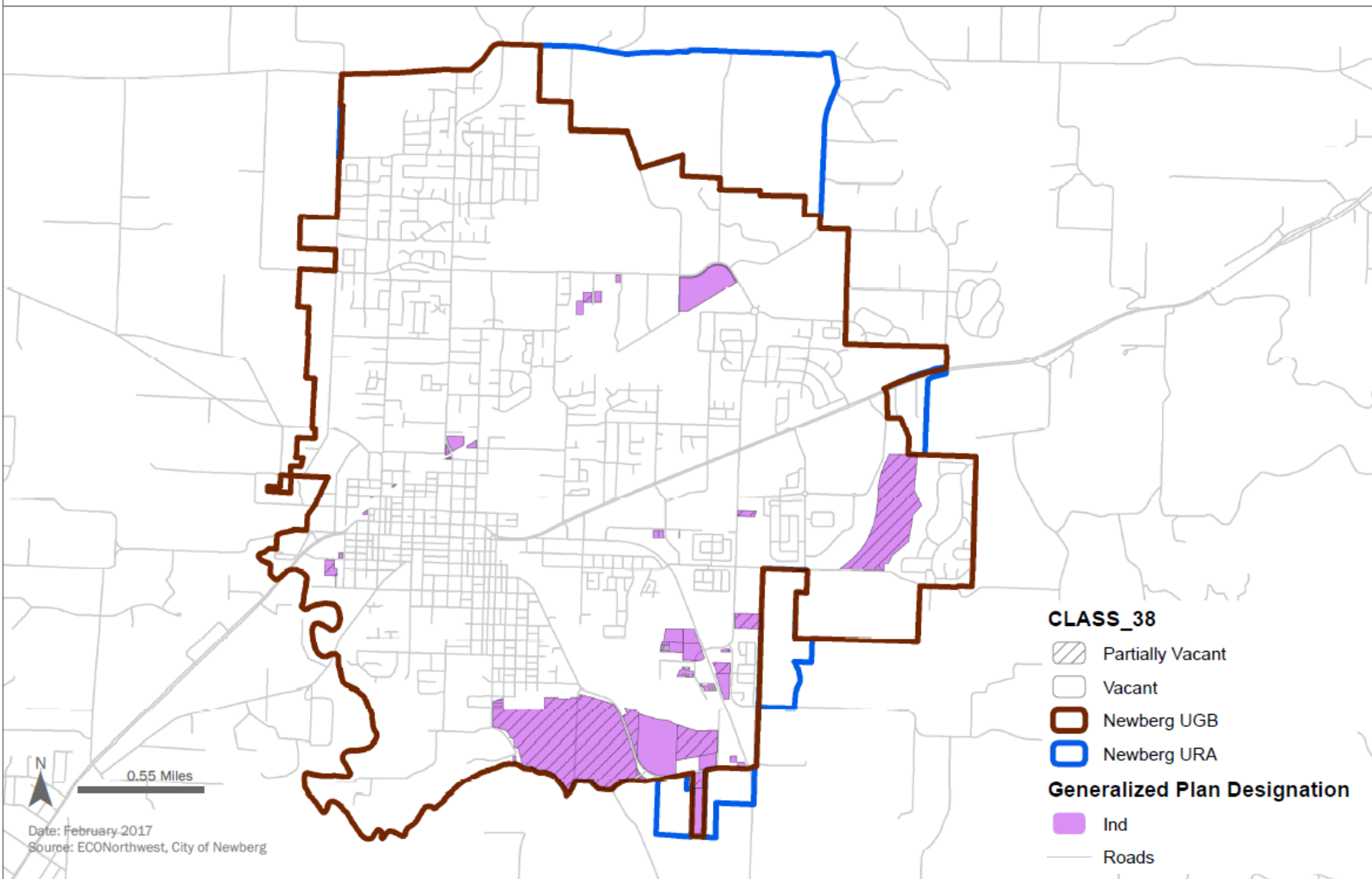
<b>Development Status</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Vacant Acres</b>
Developed	275	218	212	6	0
Partially Vacant	64	46	13	1	32
Vacant	91	118	0	4	114
<b>Total</b>	<b>430</b>	<b>381</b>	<b>225</b>	<b>10</b>	<b>146</b>

# Industrial Lands



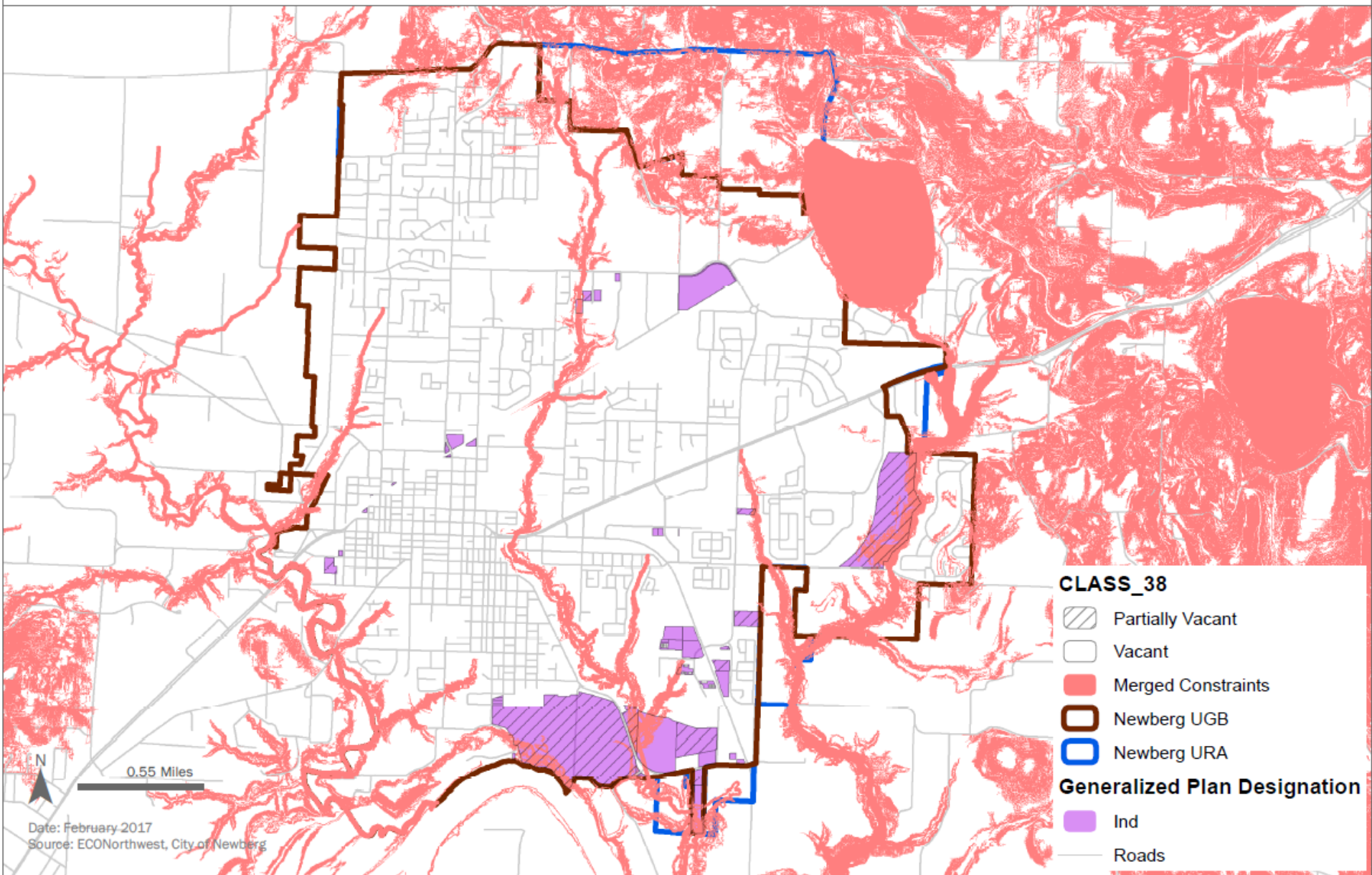
# NEWBERG BLI 2016

## Vacant and Partially Vacant Industrial Lands



# NEWBERG BLI 2016

## Vacant and PV Industrial Lands, Constraints - Slope 10%+



# Industrial BLI: Preliminary Results

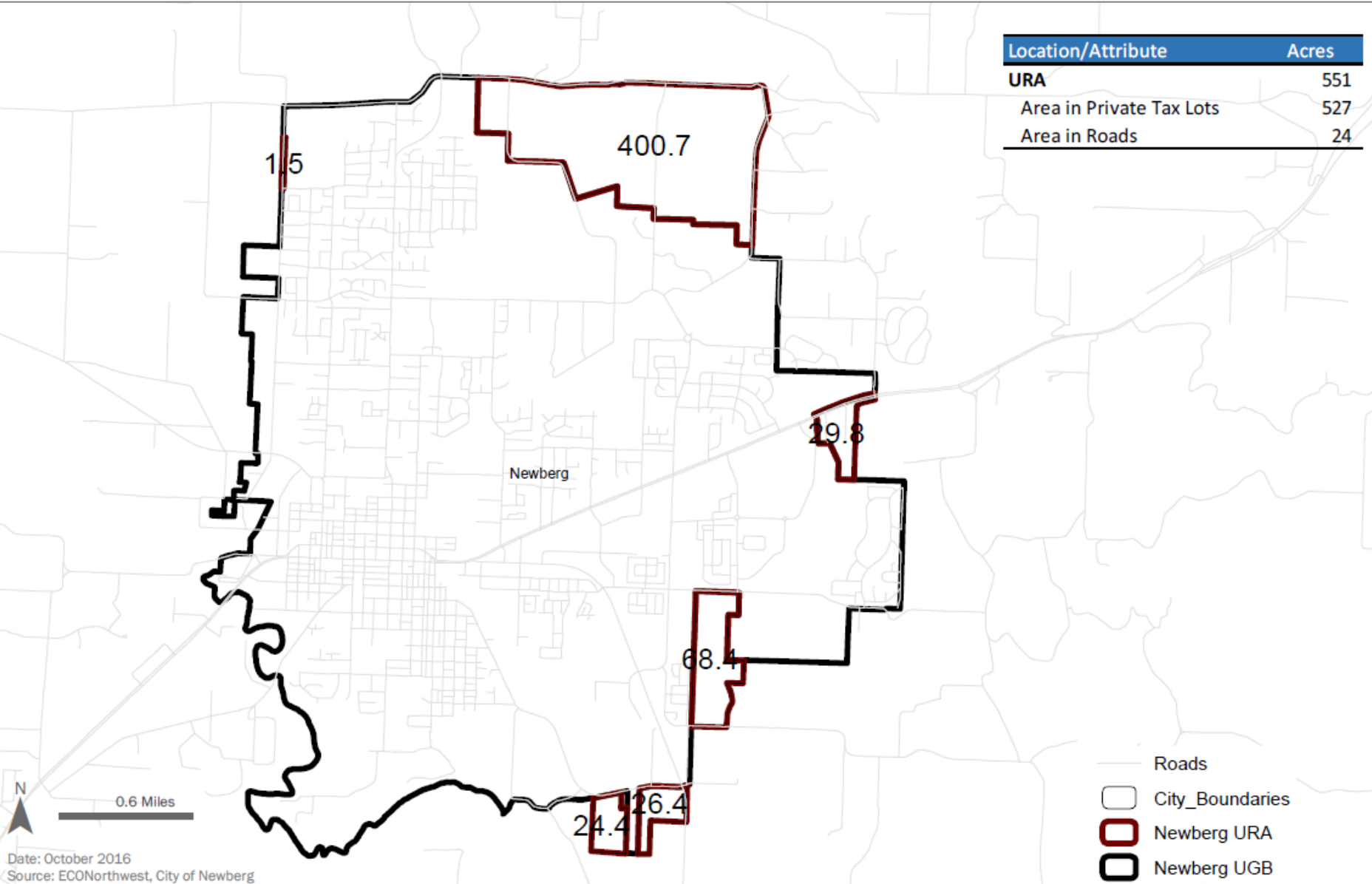
## Total Industrial Acres by Status and Plan Designation

<b>Development Status</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Vacant Acres</b>
Developed	121	197	182	15	0
Partially Vacant	11	200	144	36	19
Vacant	44	82	0	13	70
<b>Total</b>	<b>176</b>	<b>479</b>	<b>326</b>	<b>64</b>	<b>89</b>

# Urban Reserve Areas

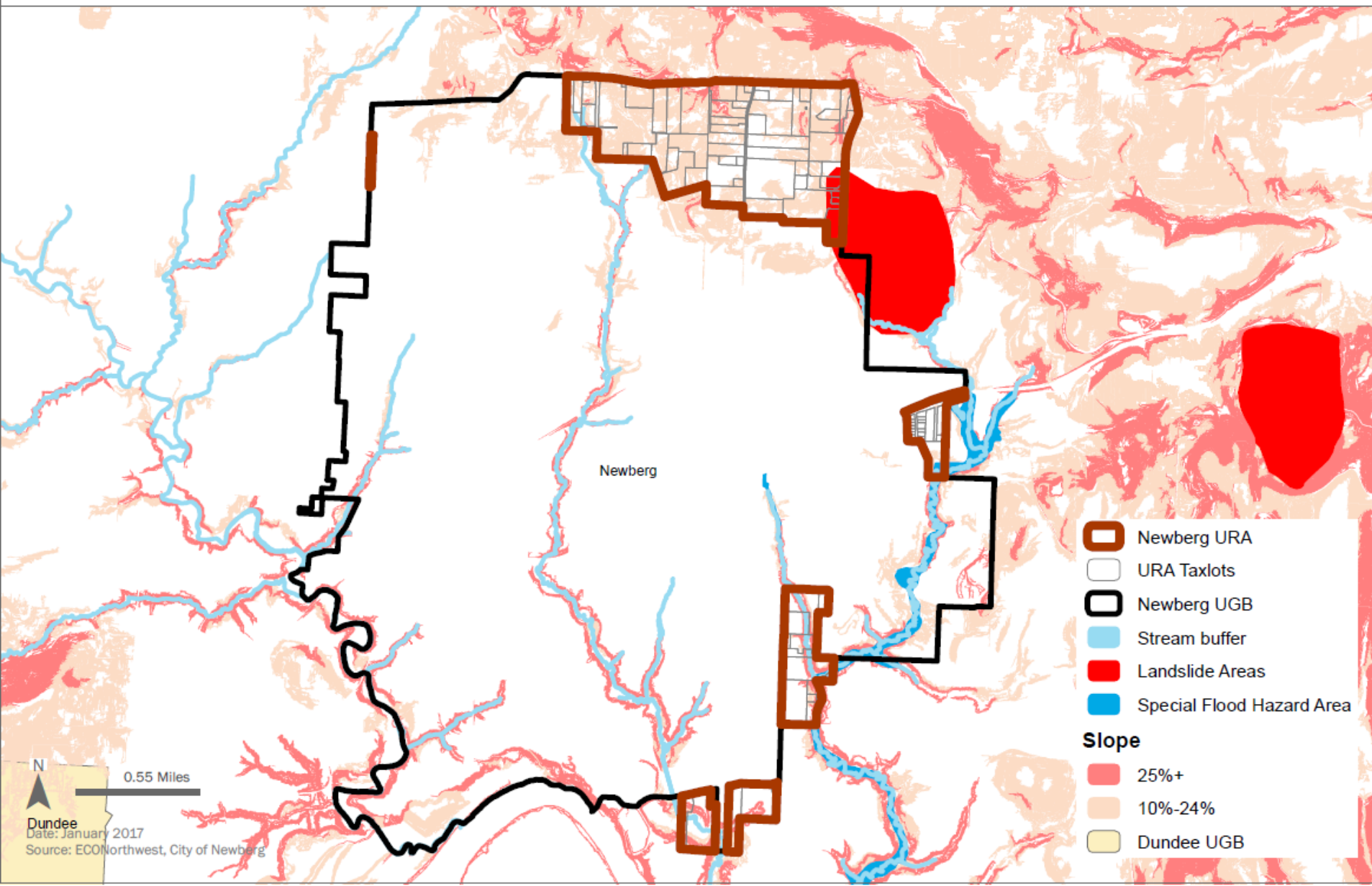
# NEWBERG BLI 2016

## Newberg Urban Reserve Areas



# NEWBERG BLI 2016

## Newberg URA and Constraints



# Urban Reserve Land

- 551 Acres in URAs
- 527 in TL
- 75 Dwelling Units
- ~50% of land in lots over 10 acres

Lot Size (Ac)	Tax Lots	Acres	DU
<=1	42	17	22
>1 and <2	6	8	6
>=2 and <5	27	89	20
>=5 and <10	20	153	19
>=10 and <20	14	195	6
>=20 and <50	2	64	2
<b>Total</b>	<b>111</b>	<b>527</b>	<b>75</b>

# Urban Reserve Areas

## Total URA Acres by Development Status

Classification	Tax Lots	Total Acres	Developed Acres	Constrained Acres	Suitable Acres	
					>25% slope	>10% slope
Developed	24	12	12	3	9	7
Partially Vacant - <2 Ac	49	386	25	39	347	200
Partially Vacant - >=2 Ac	6	8	4	2	6	5
Vacant	32	121	0	22	99	60
<b>Total</b>	<b>111</b>	<b>527</b>	<b>40</b>	<b>66</b>	<b>461</b>	<b>272</b>

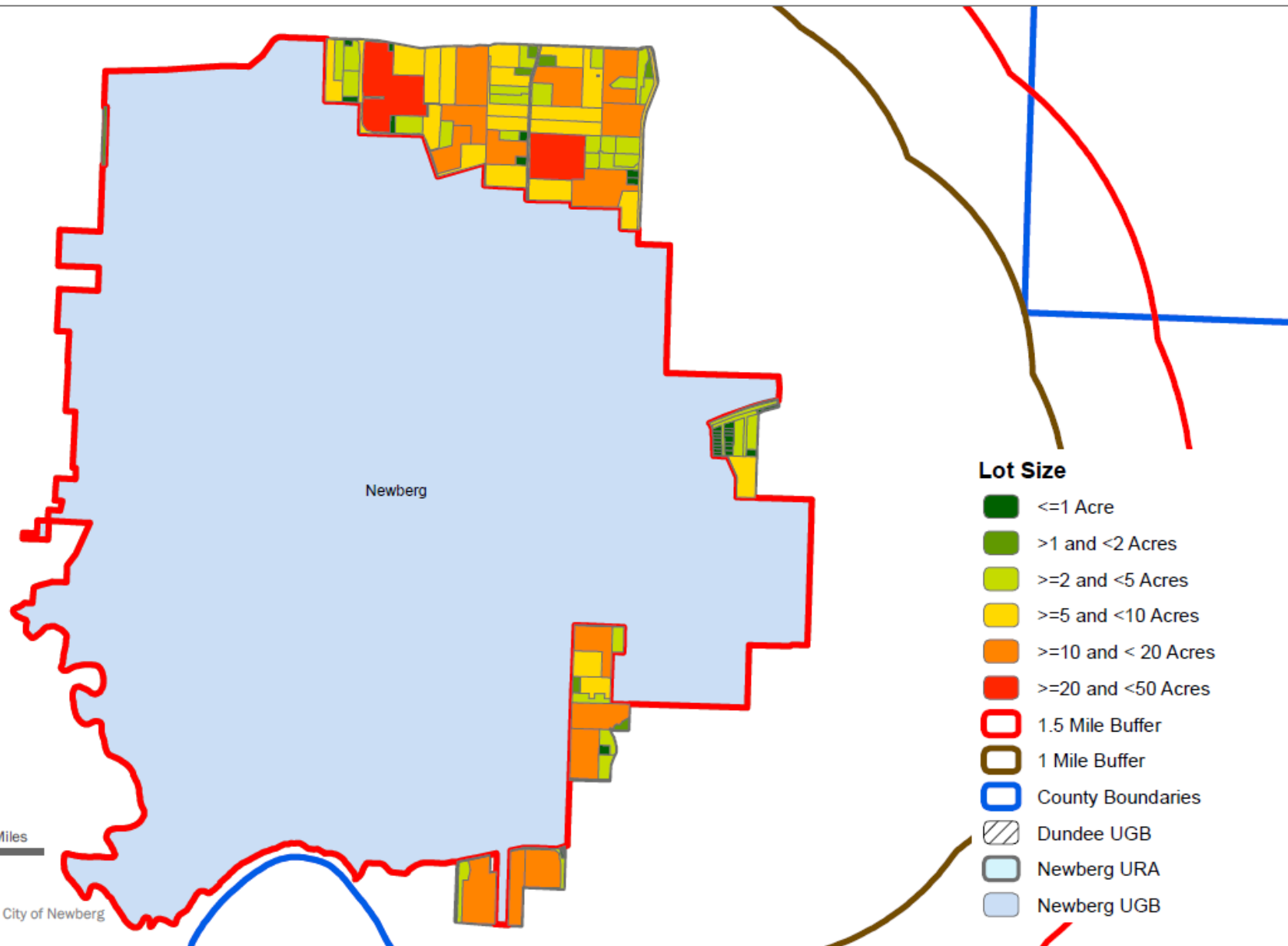
## URA Acres by Lot Size (25% slope)

Lot Size (Ac)	Tax Lots	Total Acres	Buildable Acres	Existing DU
<=1	42	17	14	42
>1 and <2	6	8	6	6
>=2 and <5	27	89	76	27
>=5 and <10	20	153	133	20
>=10 and <20	14	195	167	14
>=20 and <50	2	64	64	2
<b>Total</b>	<b>111</b>	<b>527</b>	<b>461</b>	<b>111</b>



# NEWBERG BLI 2016

## Newberg URA - Lots by Size



0.55 Miles

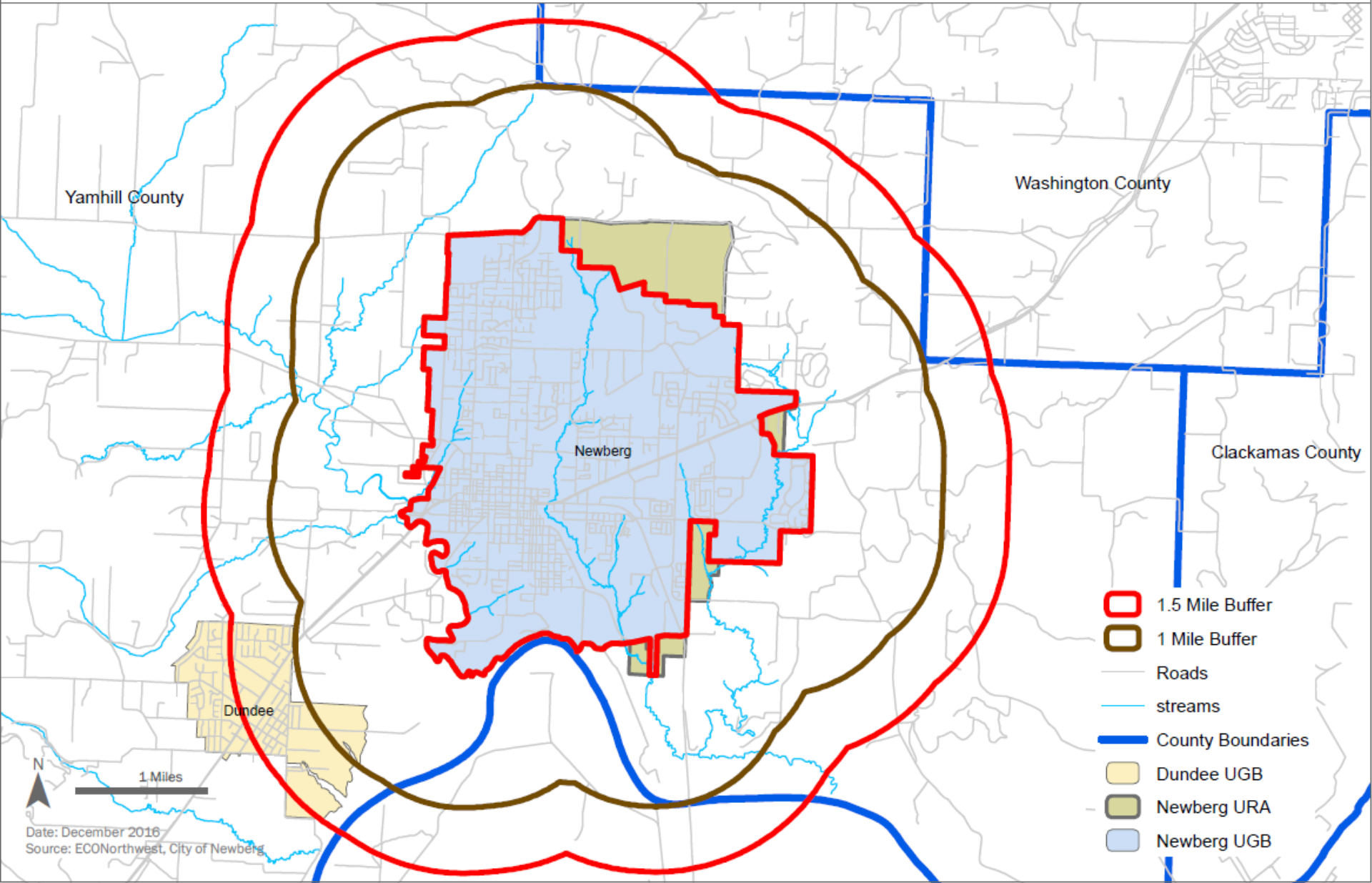
# UGB Study Area Determination

# Study Area: Steps

- OAR 660-038-0160(1) – Preliminary Study Area
  - All lands in the city’s acknowledged urban reserve
  - All lands within one mile of the UGB
  - Exceptions areas within 1.5 miles of the UGB
- Exclusions
  - Areas in Marion County - impracticable service (OAR 660-038-0160(7)(b))
  - Landslide areas – identified in DOGAMI “SLIDO” 4.3 database (OAR 660-038-0160(2)(b)(A))
  - Flood areas – areas in FEMA Special Flood Hazard Area (OAR 660-038-0160(2)(b)(B))
  - Dundee UGB – Shall not include areas within another UGB (660-038-0160(1))

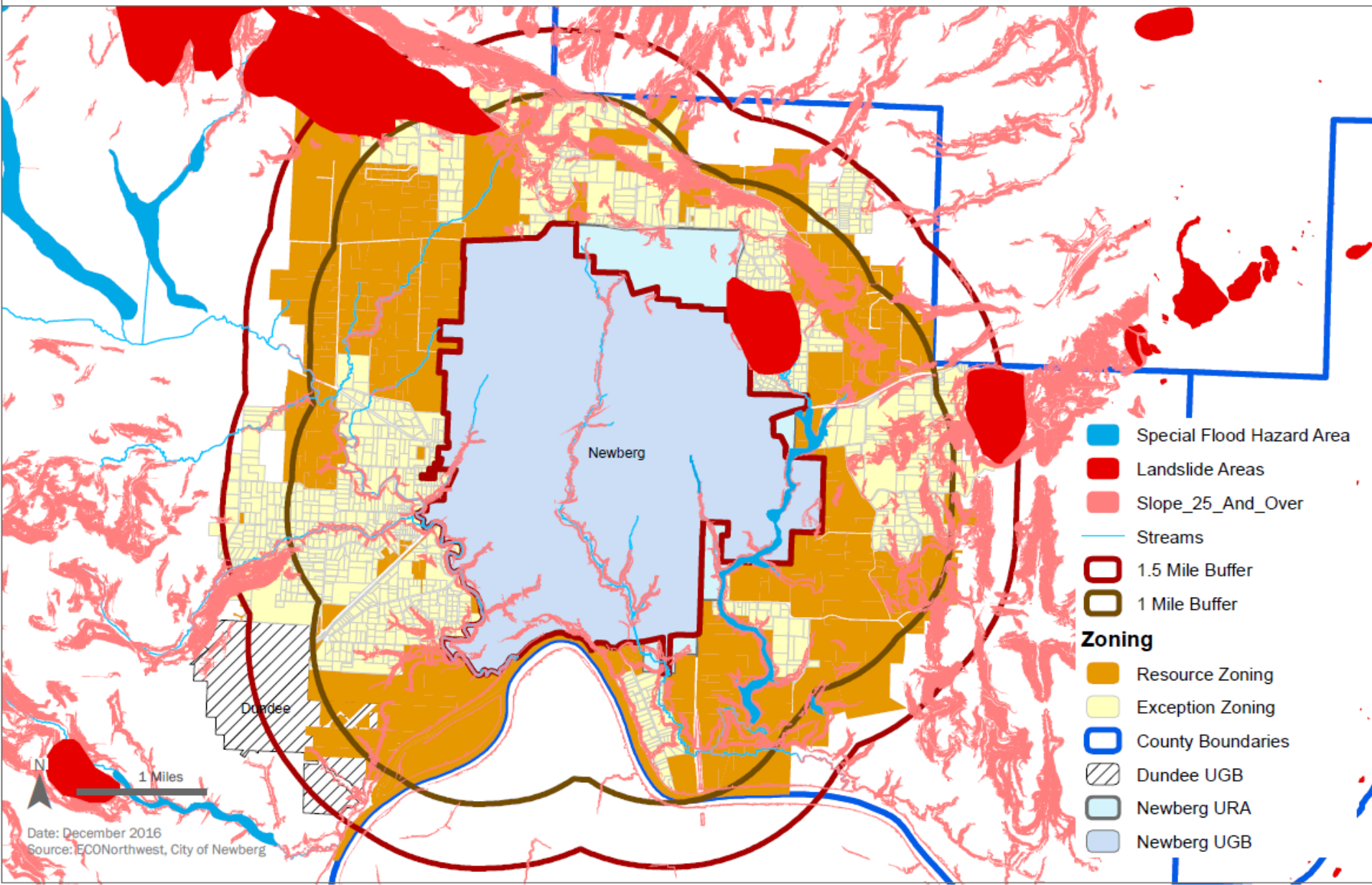
# NEWBERG BLI 2016

## Newberg UGB, URA, and Study Area Buffers



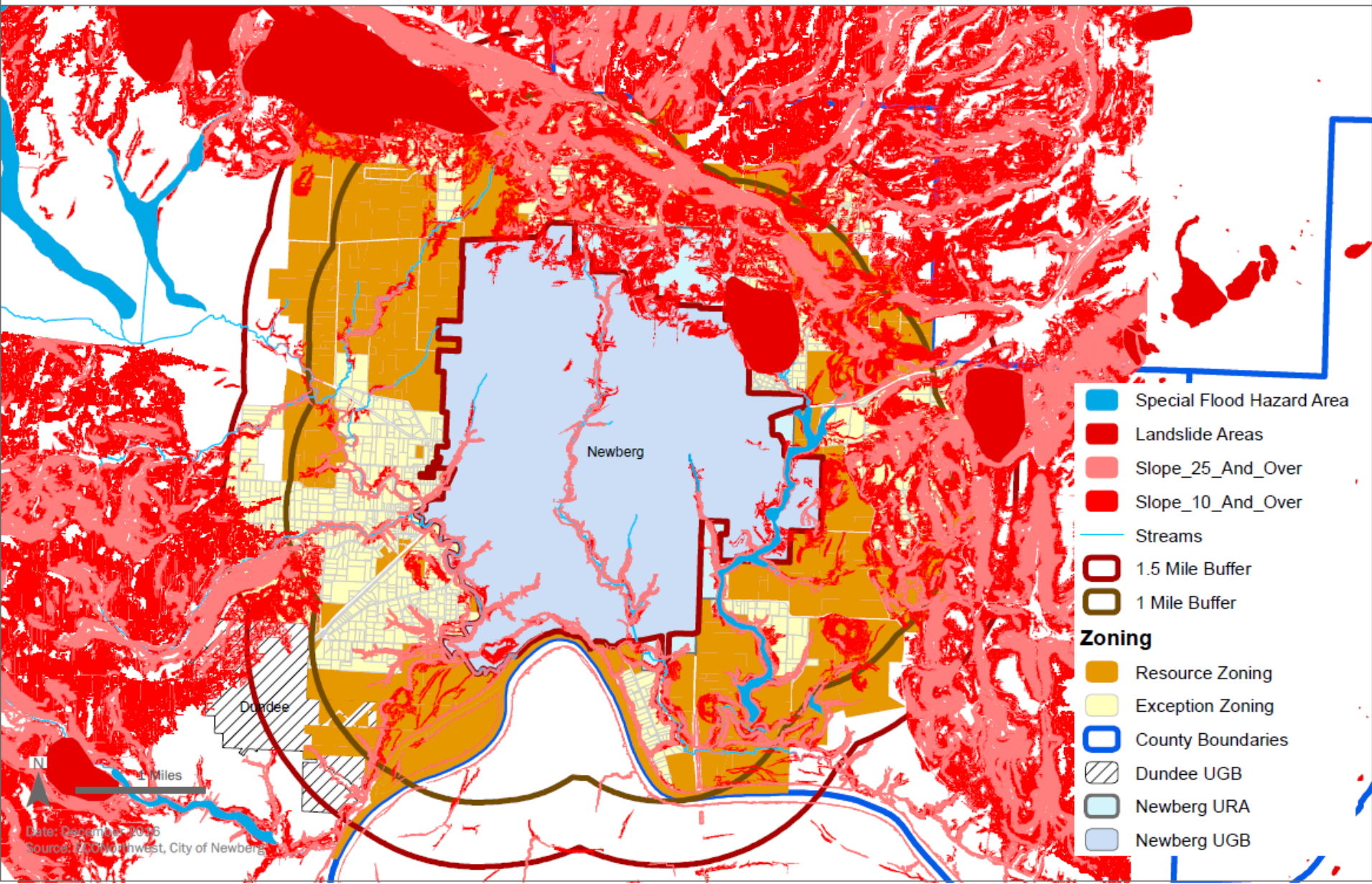
# NEWBERG BLI 2016

## Newberg Study Area Buffers, Zoning and Exclusion Areas



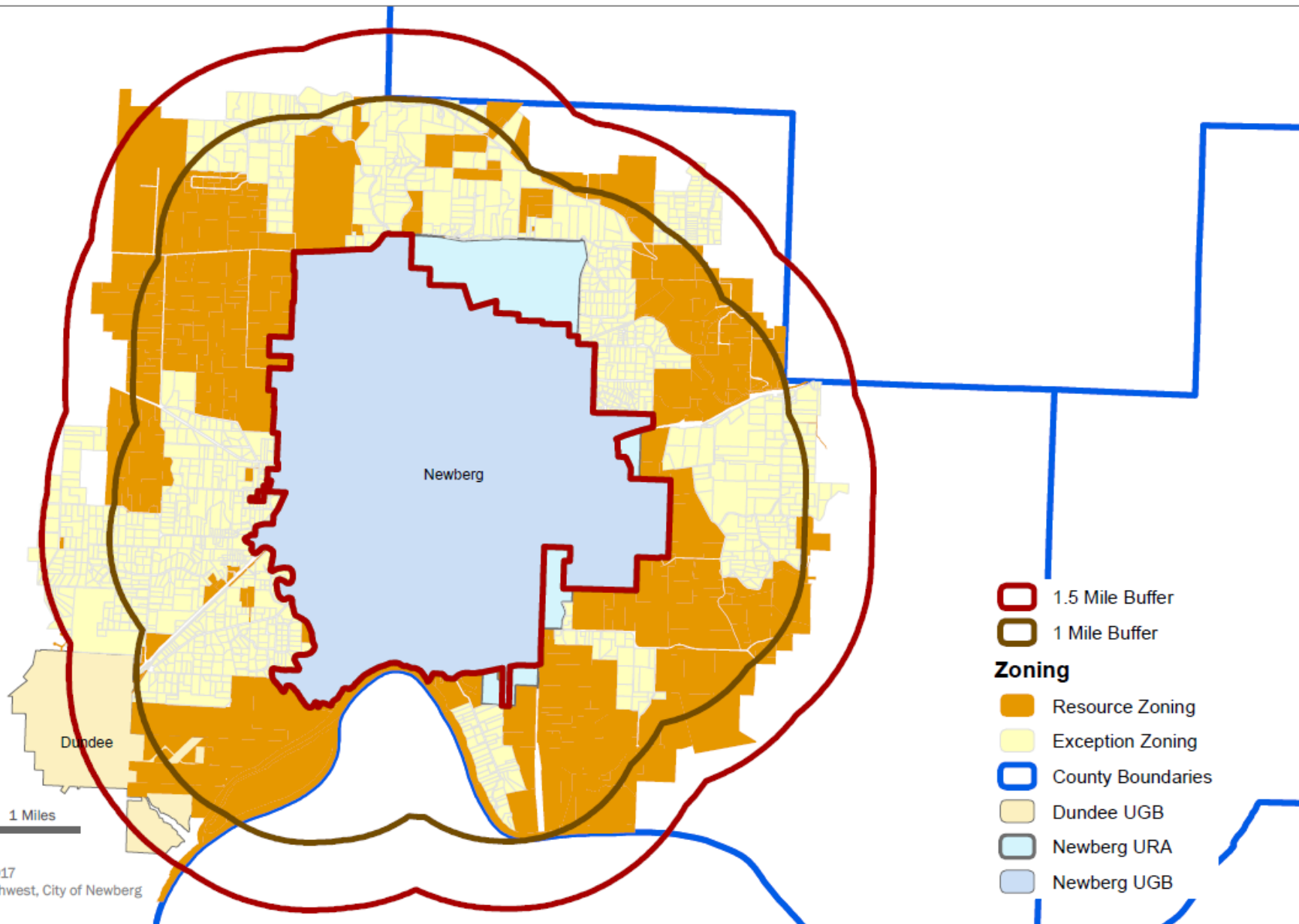
# NEWBERG BLI 2016

## Newberg Study Area Buffers, Zoning and Exclusion Areas



# NEWBERG BLI 2016

## Newberg Study Area Zoning, Exclusion Areas and Constraints



# Priority of Land for Inclusion in UGB

1. Urban reserve, exception land, and nonresource land
2. Marginal land
3. Forest or farm land that is not predominantly high-value farmland
4. Farmland that is predominantly high-value farmland

With >4000 ac of exceptions areas, lower priority is difficult to justify



# UGB Study Area: Statistics

- More than 19,800 acres in 1.5-mile study area (does not include URA)
- 4,325 acres in exceptions areas
- Few lots over 20 acres in exceptions areas

Lot Size (Ac)	Resource			Exceptions			Total		
	Tax Lots	Acres	% of Acres	Tax Lots	Acres	% of Acres	Tax Lots	Acres	% of Acres
<=1	69	41	1%	216	122	3%	285	163	2%
> 1 and <2	45	67	1%	250	368	9%	295	435	4%
>=2 and <5	61	206	4%	612	1,797	42%	673	2,003	20%
>=5 and <10	69	509	9%	138	968	22%	207	1,477	15%
>=10 and <20	63	955	17%	60	784	18%	123	1,738	18%
>=20 and <50	56	1,694	31%	6	178	4%	62	1,873	19%
>=50	19	2,024	37%	1	107	2%	20	2,131	22%
<b>Total</b>	<b>382</b>	<b>5,497</b>	<b>100%</b>	<b>1,283</b>	<b>4,325</b>	<b>100%</b>	<b>1,665</b>	<b>9,821</b>	<b>100%</b>

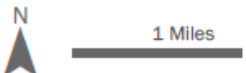
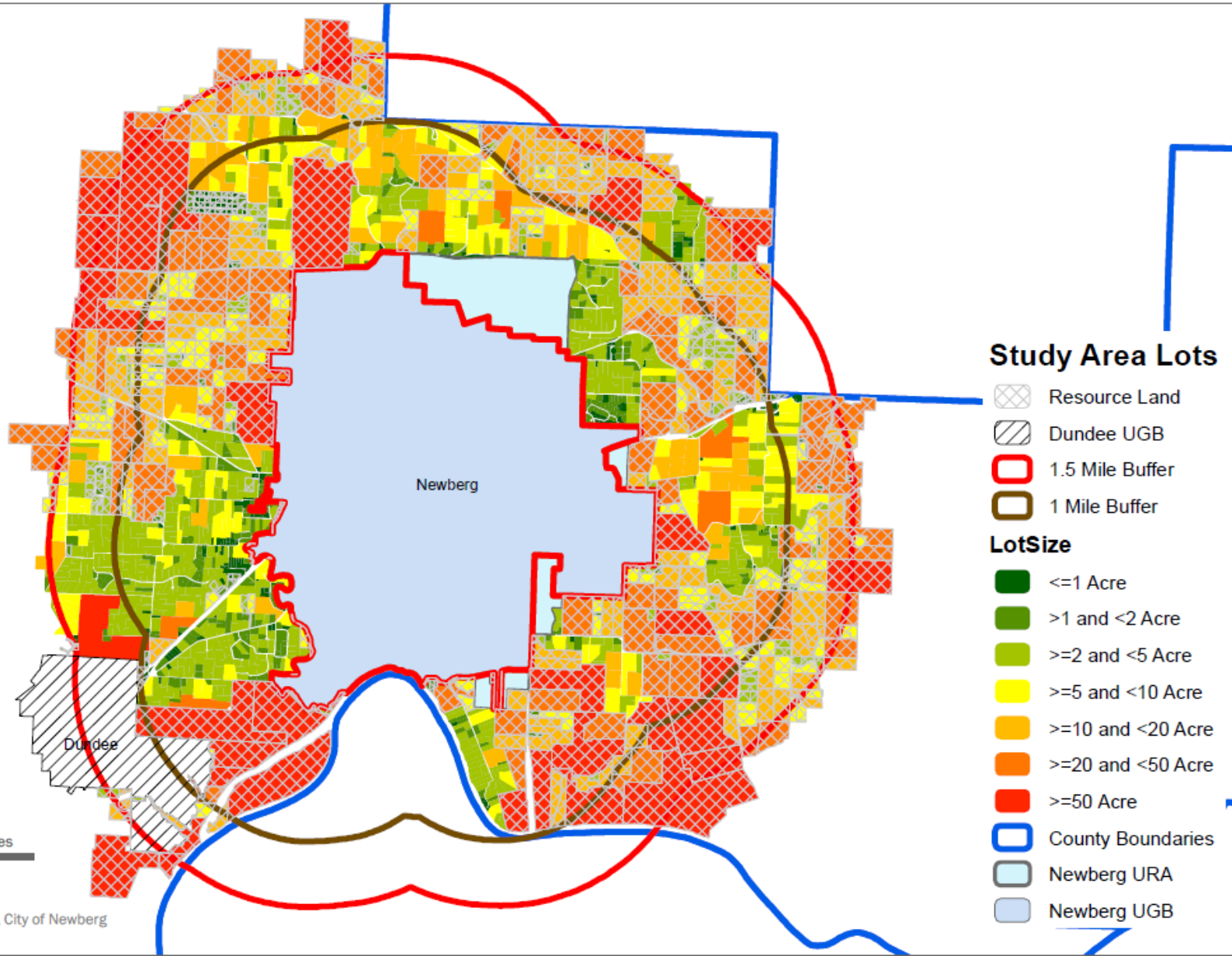
# Study Area

## Study Area Lots by Zoning and Classification

Development Status	Tax Lots	Total Acres	Developed Acres	Slope 25% or over		Slope 10% or Over	
				Constrained Acres	Suitable Acres	Constrained Acres	Suitable Acres
<b>Resource Lands</b>							
Developed	21	9	7	2	0	2	0
Partially Vacant - <2 ac	16	27	8	2	17	5	14
Partially Vacant - >=2 ac	184	3,724	92	480	3,152	1,127	2,505
Vacant	161	1,737	0	277	1,461	537	1,200
<b>Subtotal</b>	<b>382</b>	<b>5,497</b>	<b>107</b>	<b>761</b>	<b>4,629</b>	<b>1,671</b>	<b>3,719</b>
<b>Exceptions Areas</b>							
Developed	145	93	82	11	0	20	-9
Partially Vacant - <2 ac	219	320	104	69	147	113	103
Partially Vacant - >=2 ac	727	3,342	338	788	2,215	1,669	1,335
Vacant	192	570	0	148	421	300	270
<b>Subtotal</b>	<b>1283</b>	<b>4,325</b>	<b>525</b>	<b>1,016</b>	<b>2,783</b>	<b>2,101</b>	<b>1,698</b>
<b>TOTAL</b>	<b>1,665</b>	<b>9,821</b>	<b>632</b>	<b>1,777</b>	<b>7,413</b>	<b>3,772</b>	<b>5,417</b>

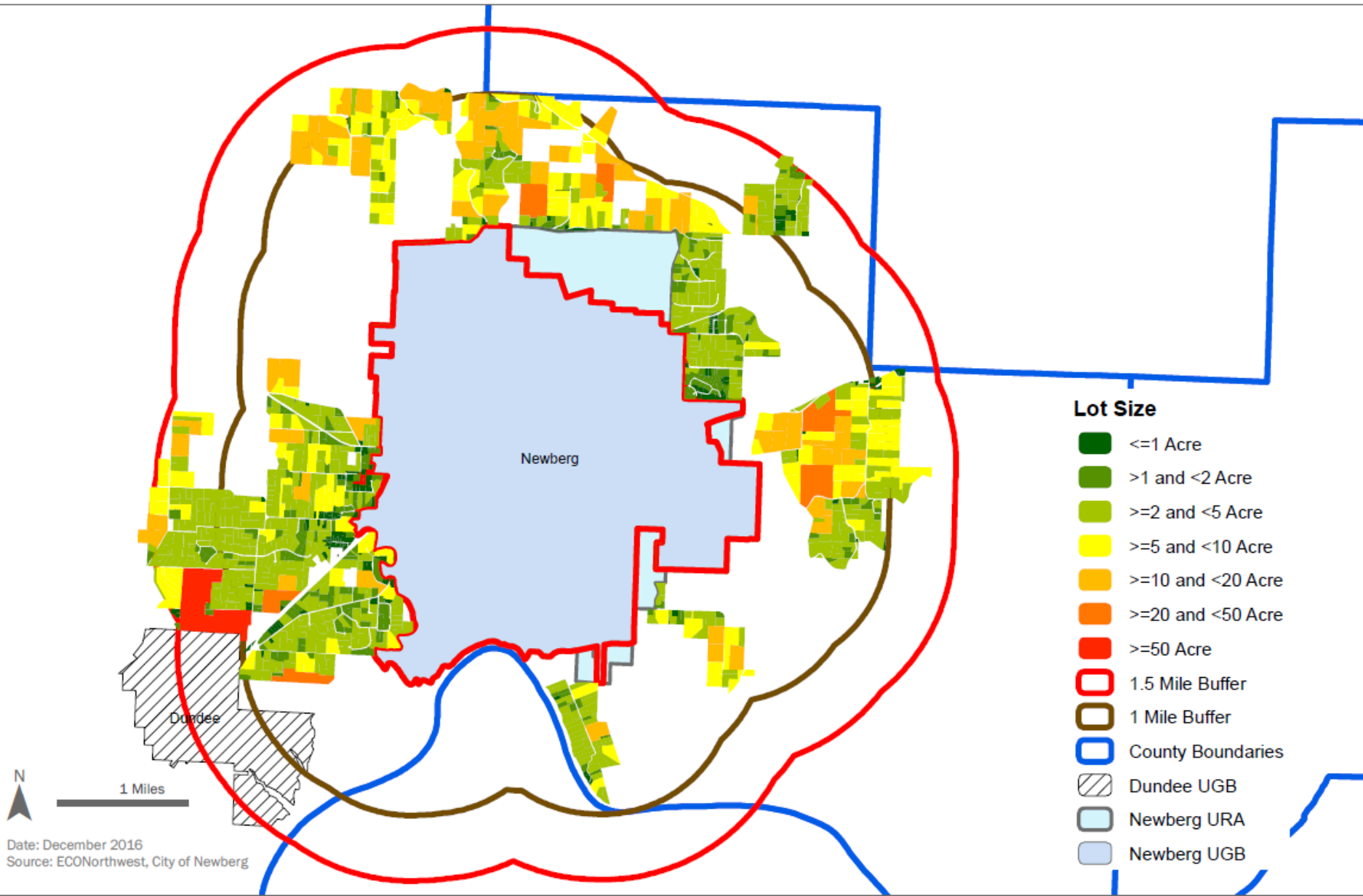
# NEWBERG BLI 2016

## Newberg Study Area - Lot Size



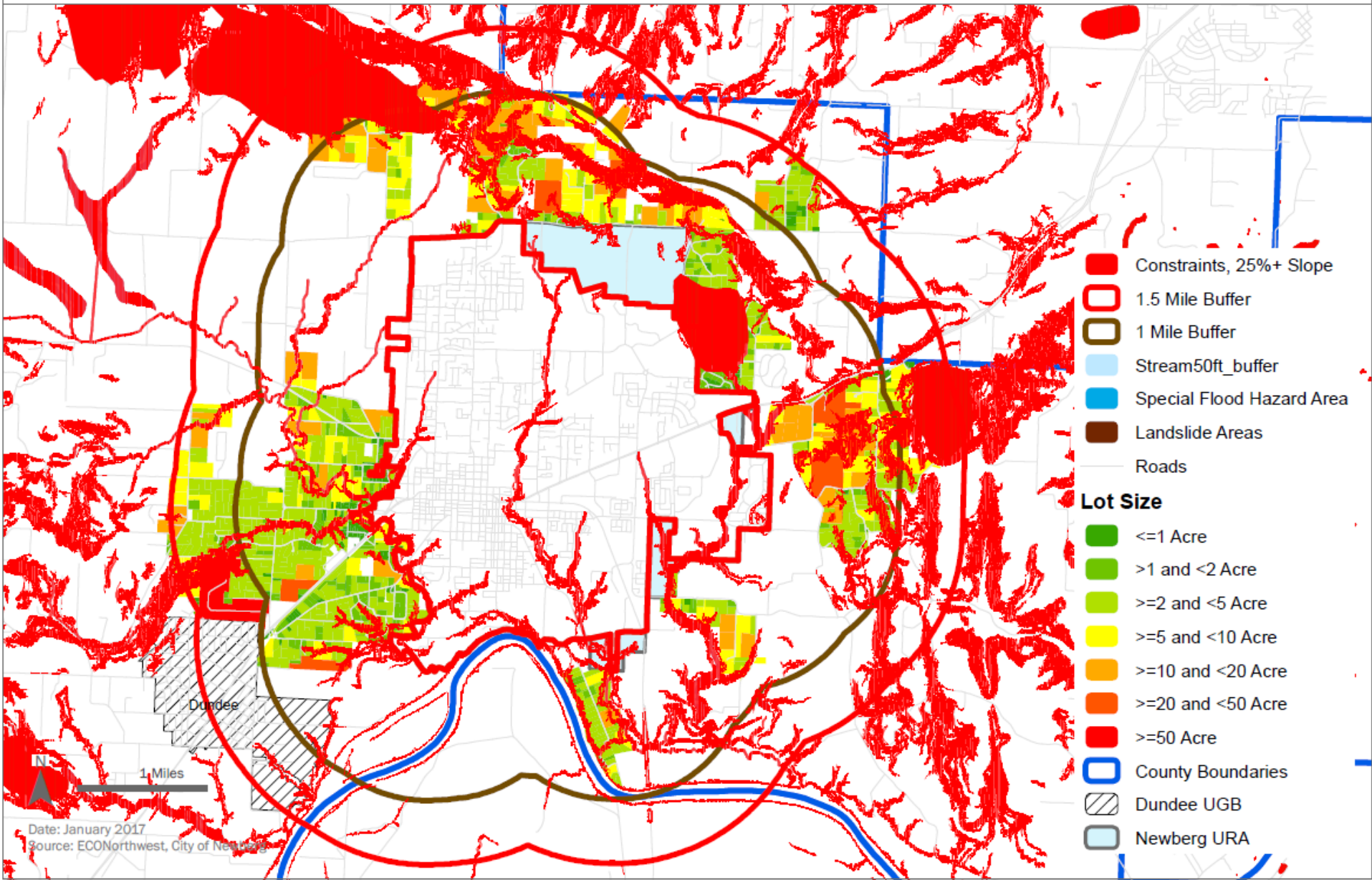
# NEWBERG BLI 2016

## Newberg Study Area - Exceptions Areas by Lot Size



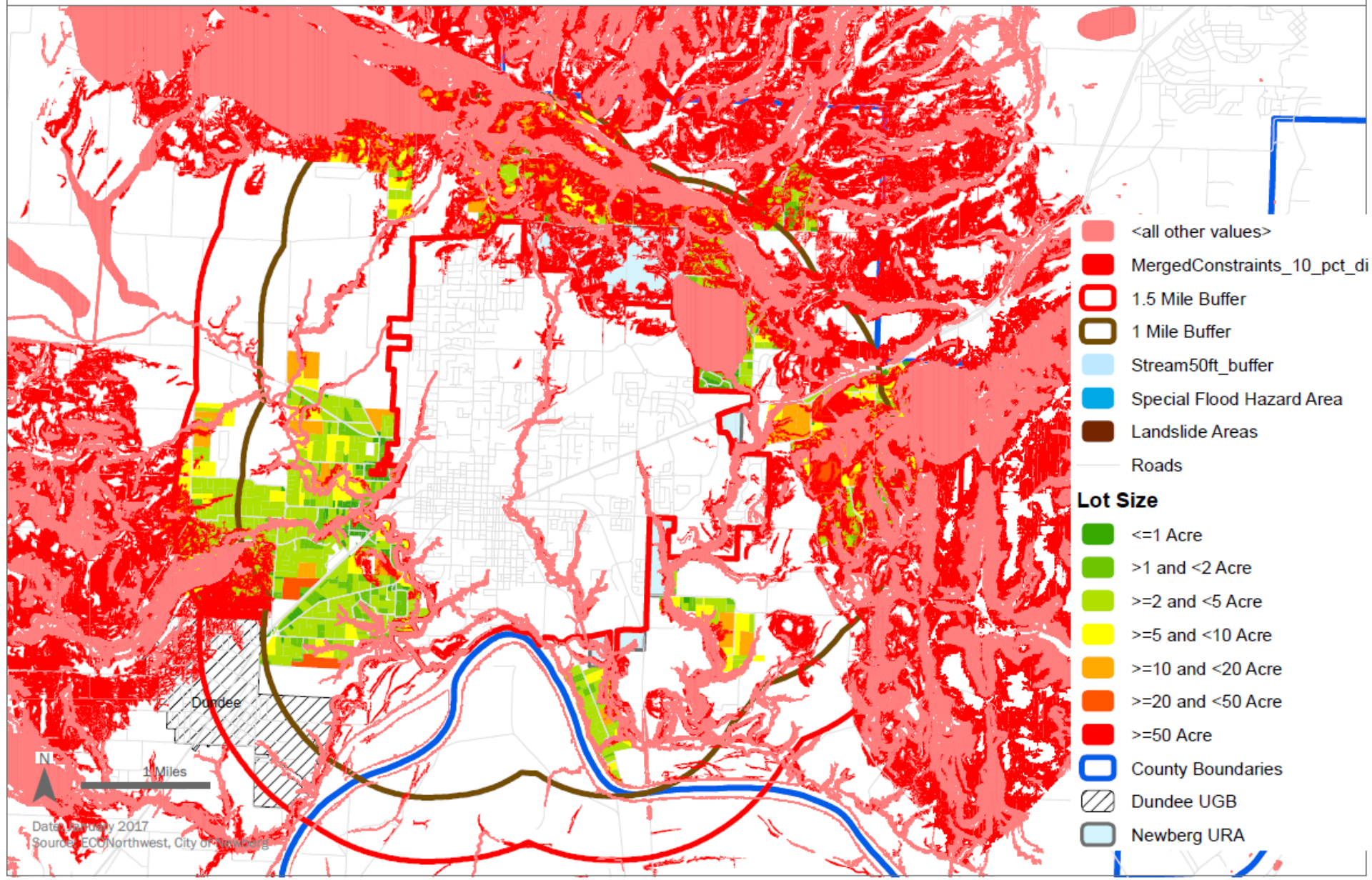
# NEWBERG BLI 2016

## Newberg Study Area - Exceptions Areas by Lot Size



# NEWBERG BLI 2016

## Newberg Study Area - Exceptions Areas by Lot Size



# Issues with the Division 38 BLI Rule

- **Split Plan Designations**
  - The rule provides no guidance on split designations
  - The Newberg BLI splits areas in lots that are split by plan designations to accurately account for land in different designations



# Public lands with residential plan designations

- Newberg has about 70 acres of public lands with residential plan designations



# Partially vacant employment land

- *The real market improvement value of the lot or parcel is greater than five percent and less than 40 percent of the real market land value, in which case, the city must assume that 50 percent of the lot or parcel is developed and 50 percent is vacant.*



# Errors/anomalies/exemptions in County Assessment data

- Residential land with improvement value less than \$10,000 and great than 3,000 SF
- The Yamhill County Assessor assessed churches in residential areas as \$0 improvement



# Condo common areas

- Residential land with improvement value less than \$10,000 and great than 3,000 SF



**Table 14. All Land by Classification, Division 38 Method and Standard Method, Newberg UGB**

<b>Classification</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Buildable Acres</b>
<b>Division 38 Method</b>					
Developed	6,275	1,362	1,323	40	0
Partially Vacant	389	1,047	300	139	608
Vacant	487	654	0	75	579
Public	215	688	617	71	0
<b>Total</b>	<b>7,366</b>	<b>3,751</b>	<b>2,240</b>	<b>324</b>	<b>1,187</b>
<b>Standard Method</b>					
Developed	6,569	1,860	1,768	92	0
Partially Vacant	169	515	85	72	358
Vacant	277	492	3	47	443
Public	351	884	770	113	0
<b>Total</b>	<b>7,366</b>	<b>3,751</b>	<b>2,626</b>	<b>324</b>	<b>801</b>
<b>Difference</b>					
Developed	-294	-498	-446	-52	0
Partially Vacant	220	532	216	66	250
Vacant	210	162	-3	28	136
Public	-136	-196	-153	-42	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>-386</b>	<b>0</b>	<b>386</b>

<b>Generalized Plan Designation</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Developed Acres</b>	<b>Constrained Acres</b>	<b>Buildable Acres</b>
<b>Division 38 Method</b>					
<b>Residential</b>					
LDR	349	728	80	82	565
MDR	264	423	42	70	311
HDR	52	94	9	8	76
Subtotal	665	1,244	132	160	952
<b>Employment</b>					
Commercial	155	164	13	5	146
Industrial	55	282	144	49	89
Subtotal	210	446	157	54	235
<b>Total</b>	<b>875</b>	<b>1,690</b>	<b>289</b>	<b>214</b>	<b>1,187</b>
<b>Standard Method</b>					
<b>Residential</b>					
LDR	280	644	66	72	506
MDR	77	149	7	34	108
HDR	11	15	3	1	12
Subtotal	368	809	76	107	625
<b>Employment</b>					
Commercial	48	140	6	8	126
Industrial	30	58	5	4	50
Subtotal	78	198	11	12	176
<b>Total</b>	<b>446</b>	<b>1,007</b>	<b>87</b>	<b>119</b>	<b>801</b>
<b>Difference</b>					
<b>Residential</b>					
LDR	69	83	14	10	59
MDR	187	273	35	35	203
HDR	41	78	7	7	64
Subtotal	297	435	55	53	327
<b>Employment</b>					
Commercial	107	24	7	-3	20
Industrial	25	224	139	45	39
Subtotal	132	247	146	42	59
<b>Total</b>	<b>429</b>	<b>683</b>	<b>202</b>	<b>95</b>	<b>386</b>

# Comparison of Div 38 and Std result

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## Difference

### Residential

LDR	69	83	14	10	59
MDR	187	273	35	35	203
HDR	41	78	7	7	64
Subtotal	297	435	55	53	327

### Employment

Commercial	107	24	7	-3	20
Industrial	25	224	139	45	39
Subtotal	132	247	146	42	59
<b>Total</b>	<b>429</b>	<b>683</b>	<b>202</b>	<b>95</b>	<b>386</b>

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# Conclusion

- **The simplified BLI method is not simple**
  - In many respects it is more complicated than a standard BLI method
  - Many areas are still unclear
  - Provides no consideration for data errors and exceptions (nor was it intended to)
- Results prove unworkable for Newberg in our view

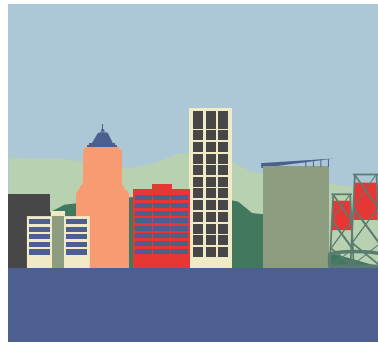


# ECONorthwest

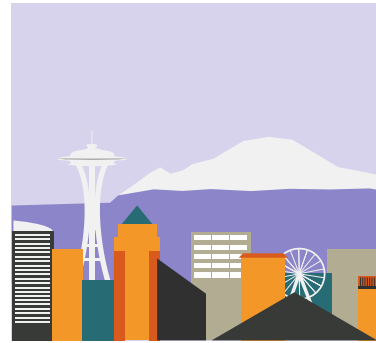
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Doug and CPC Members:

I would really like to be at Tuesday's meeting but I am leaving for the East Coast that evening and I don't think I can make it with 5 PM traffic after the meeting. I do have a number of comments on the Draft Buildable Lands Inventory and would like to share them with you prior to the meeting.

Before going through specific page by page comments, a couple of general comments:

On the issue of Division 38 vs. "standard methods," ECO makes some good points as to areas where the rule may need some fine-tuning, but some of their criticisms seem to be mis-placed.

The draft would benefit from greater clarity regarding some of the acreage totals in the tables so that the transitions between different tables are more transparent and the numbers more readily reconcilable.

### Specific comments

**p. 1:** It is stated that "Newberg may pursue the boundary amendment ... using the Division 38 (OAR 660-038) simplified urban growth boundary method." I support use of these rules. While use of the streamlined method does not resolve all potential issues with a UGB amendment, especially with respect to which lands are included, it greatly reduces the prospect for extended arguments and appeals regarding the more technical issues of how much land is available and how much land is needed.

This is especially so when compared to what I and the "Friends" organizations view as the overly-aggressive approach previously taken by the city which resulted in numerous remands. The 2009 Buildable Lands Inventory was remanded by LUBA in part because it improperly discounted and eliminated land without adequate justification and the 2013 EOA was remanded by LCDC in part because of defects in the employment land inventory.

**Tables 3, 4, 5, 7, 8 (pp. 10, 13, 18, 22):** The acreages in Table 3 differ from the acreage totals in subsequent tables because the subsequent tables only include land in tax lots and because land covered by the Springbrook Master Plan or designated for Mixed-Use is shifted to other categories in the subsequent tables. A clearer explanation of these differentials is needed so that people reading the document can follow the numbers.

For example, Table 3 shows 281 acres of commercial land including land in roads and water while Table 7 shows 381 acres in tax lots only- a difference of 100 acres. One can presume that Table 7 includes some additional mixed-use and Springbrook Master Plan land and excludes some land in roads that is included in Table 3. But the numbers are not presented so the difference cannot be reconciled.

The same is true for residential and industrial land.

Table 3 includes a footnote explaining the designations for the 487 acres covered by the Springbrook Master Plan. A similar explanation should be provided for land designated for mixed use. For both categories, these lands appear as residential, commercial and industrial land on subsequent maps. In the subsequent tables how many acres of land covered by the Springbrook Master Plan or designated Mixed-Use are categorized as commercial? Industrial? How many acres of low-density residential, medium density residential, etc.?

Similarly, Table 3 (or a new table) should show how much land by specific category (low-density residential, medium density, commercial, etc.) is not in roads, water, or otherwise not included in subsequent tables.

**P.26- 4<sup>th</sup> comment in draft.** The draft BLI quotes and comments on OAR 660-038-0170(5)(d). ECO's comment seems to misinterpret the subsection in the rule, which is actually quite straightforward when read in the context of the full rule (online or in the appendix):

*"With respect to section (1), a city must assume that vacant or partially vacant land in a particular priority category is "suitable" to satisfy a need deficiency identified in OAR 660-038-0080 or 660-038-0150, whichever is applicable, unless it demonstrates that the land cannot satisfy the need based on one or more of the conditions described in subsections (a) through (f) of this section:"*

\* \* \*

*(d) With respect to needed industrial uses only, the land is over 10 percent slope, as measured in the manner described in OAR 660-038-0160(5); is an existing lot or parcel that is smaller than 5 acres in size; or both."*

The rule sets up two very straightforward tests for determining that land is not suitable to meet industrial needs. Any land over 10% slope can be considered unsuitable for industrial needs. Any land in an existing lot or parcel smaller than 5 acres can also be considered unsuitable for industrial needs. For the first test- 10% slope- the rule directs a clear method for measuring slope. It is clear that the reference to OAR 660-038-0160(5) refers to how slope is measured, not to other parts of that rule. OAR 660-038-0160(5) states in relevant part:

*"Slope shall be measured as the increase in elevation divided by the horizontal distance at maximum ten-foot contour intervals"*

This is a clear and straightforward reading of the rule. In contrast, ECO's convoluted interpretation is based upon an apparent misreading.

**p. 27:** In the discussion of suitability towards the bottom of the page, the draft BLI states:

*"In short, the language focuses on suitability, but does not provide guidance for when a tax lot might be deemed developed or committed—with the potential exception that lands that would be added for residential uses under two acres have specific capacity assumptions tied to them. In that sense, all land potentially has capacity. The rule allows consideration of parcelization as a suitability criteria. The direction is vague: *the land cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure.* To put some structure on this part of the analysis, we classified tax lots as follows:*

This paragraph discusses suitability of all land, including residential, but the quoted rule section- *the land cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure-* explicitly applies only to the evaluation of land for employment:

*(a) Existing parcelization, lot sizes or development patterns of rural residential land make that land unsuitable for an identified employment need, as follows:*

*(A) Parcelization: the land consists primarily of parcels 2-acres or less in size, or*

*(B) Existing development patterns: the land cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure.*

The rule provides two paths to determine unsuitability for employment land- *parcelization* or *existing development patterns*.

The draft BLI notes the lack of guidance and vague direction. The rule gives clear regarding parcelization and lot sizes- *“the land consists primarily of parcels 2-acres or less in size.”*

The draft BLI is correct regarding the lack of guidance regarding *“existing development patterns... due to the location of existing structures and infrastructure.”* This may indeed be an area where the rule would benefit by fine-tuning. I’m not necessarily criticizing the criteria used by ECO- they seem reasonable enough. However, they speak by only to parcel size and improvement value; not to the *location* of anything.

Beyond that, it is not clear from the text in the draft EOA that ECO recognized that the rule only applies to the evaluation of land for employment, especially given subsequent text on p. 41. If ECO *did* recognize that, it is not clear why they applied the criteria they developed to all land in URA’s and other UGB study areas rather than just to land for employment needs.

**p. 31- Table 11:** The table is confusing and is seemingly inconsistent with the preceding text and explanatory note in at least two ways:

1. Both Table 10 and the text that precedes Table 11 identify 461 buildable acres in tax lots in URAs. Table 11, however, lists only 342 buildable acres in tax lots in URAs. This apparent inconsistency should be explained in the text of the document or resolved.

2. The text that precedes Table 11 “assumes an average of 6 dwellings *per acre* for lots over 2 acres.” The explanatory note after table 11 “assumes... 6 dwelling units *per lot* for lots over 2 acres.” In Table 11 itself, the column headed DU is not consistent with either of these. For example, the 64 buildable acres in 2 tax lots between 20 and 50 acres in size are assigned only 2 DU in the table.

**p. 33- Table 12:** “Constraint Status” should be deleted from the table caption since the table does not address constraint status.

**p. 37- Division 38 vs. “traditional method” BLI:** Use of the streamlined UGB rules includes trade-offs. In return for the greater certainty that comes with the more prescriptive rules, a city foregoes the “opportunity” to include more land that may be more difficult to justify. (see previous remands).

Because the Division 38 rules leave less discretion, there will almost always be examples of some parcels that were misclassified one way or the other, but that is the nature of a streamlined” process. I support the use of the Division 38 rules in Newberg and believe they present an opportunity to move past years

of litigation and appeals, while allowing the city an opportunity to meet its legitimate needs and obligations to provide for future growth.

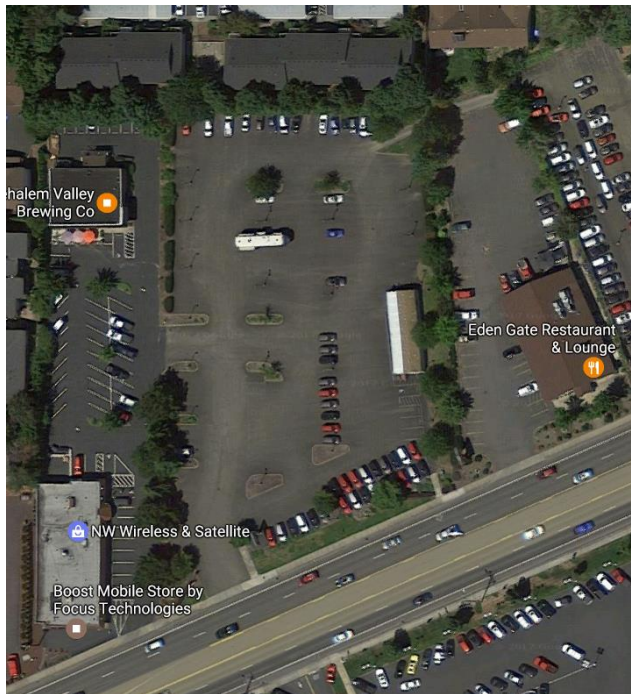
**p. 37- Split plan designations:** The draft raises a good point and the city and ECO have addressed it in what seems to be a reasonable manner. This may be an area where the rule would benefit by fine-tuning.

**p. 38- Public Lands with residential plan designations.** This is not an issue in Newberg. Newberg has a public land designation that is applied to school properties (including Chehalem Valley Middle School).

In other cities where it may arise, it may be appropriate to inventory some public land as commercial or residential. Schools, municipal offices, etc. absorb employment and public housing, dormitories, and other institutions absorb population.

**pp. 38-39- Partially Vacant Employment Land.** ECO has given two examples of lots they believe are misclassified as partially vacant under the rule that, but there are, of course, compelling examples on the other side as well.

The nearly empty used car lot between the Eden Gate and Chehalem Brewing was classified as fully developed by Newberg's "traditional" BLI and EOA, but is properly classified as partially vacant under the Division 38 rules:



The new building that houses the new Starbucks and ATT wireless at Elliott and Portland Roads sits on a previously under-developed lot that was classified as fully developed in Newberg's "traditional" BLI and EOA. That classification was clearly wrong since the existing structure was torn down and replaced with a more intensive use:



**p. 39 - Errors/Anomalies in County Assessment Data (Churches):**

ECO points to what they believe are erroneous County Assessment data of \$0 improvement value as a fault with the rule. Errors in the county data are not a problem with the rule. The rule itself allows but does not require use of county tax assessor data. See OAR 660-038-0020(16).

*“When a city is required to undertake an analysis or make a determination concerning lots or parcels under the rules in the division, the city may conduct such analyses using tax lot data shown on the most recent tax assessment rolls in the county in which the land is located.”*

Traditional Buildable Land Inventories, including ones prepared by ECO, also use improvement value to classify lots as developed, partially developed, or vacant. If there is substantial evidence of

improvement value- and photographs of churches would certainly seem to be substantial evidence- the rule allows the city to use that evidence instead of tax assessor data.

**p. 40- Partially vacant multi-family land (assisted living facilities)**

As ECO notes, the Division 38 rules are neither more nor less efficient than a standard BLI in identifying partially vacant multi-family land.

**p. 41- Condo common areas:** ECO points to a example of a condo common area with \$0 improvement value at the west end of Newberg by W First St. and Old Hwy 99W. While the aggregate impact they identified in Newberg is not large (10 acres), this may be an area where the rule would benefit by fine-tuning.

**p. 41 Classification of lands in UGB study area:** ECO believes the rule uses vague criteria for determining whether land in the UGB study area is vacant, partially vacant, or developed. The rule is not vague:

For employment land, *“lot sizes or development patterns of rural residential land make that land unsuitable for an identified employment need, as follows: (A) Parcelization: the land consists primarily of parcels 2-acres or less in size.”* That is not vague. It is a clear and objective standard.

For residential uses:

*“Existing lots or parcels one acre or less may be assumed to have a development capacity of one dwelling unit per lot or parcel. Existing lots or parcels greater than one acre but less than two acres shall be assumed to have an aggregate development capacity of two dwelling units per acre.”*

Neither of these standards are vague; they are clear and objective.

ECO also suggests that the incorporated thresholds in the rule of 1 and 2 acres for future residential uses should apply to total units, not new units. It is my understanding from conversations with Mia Nelson who attended meetings of the rulemaking committee, that this is incorrect and that the standard applies to new units. This makes much more sense, since a lot that is  $\frac{3}{4}$  acre with an existing dwelling would certainly be assumed to have additional development capacity once it is annexed into the city and developed to urban standards.

**p. 42- ECO’s Recommendation.** ECO states that they cannot recommend use of the streamlined UGB process because of the greater amount of residential land considered to have development potential under those rules. But those criticisms rest, at least in part, on comparisons to “traditional methods” that resulted in an older BLI and EOA that were remanded, and on an apparent assumption that a potentially larger UGB amendment based on the “flexibility” of “standard methods” is both desirable and will survive the greater scrutiny it will receive.

# *REQUEST FOR COUNCIL ACTION*

**DATE ACTION REQUESTED: February 6, 2017**

<b>Order ___ No.</b>	<b>Ordinance ___ No.</b>	<b>Resolution ___ No.</b>	<b>Motion ___</b>	<b>Information <u>XX</u></b>
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**SUBJECT: Newberg 2030 Project Update – Task 1**

**Contact Person (Preparer) for this  
Item: Doug Rux, Director  
Dept.: Community Development  
File No.: GR-15-001**

## **RECOMMENDATION:**

Information only.

## **EXECUTIVE SUMMARY:**

The Community Development Department Planning Division received a Technical Assistance Grant from the Department of Land Conservation and Development in the amount of \$30,000.00 to work on a future planning project. The project has been named “Newberg 2030”, because the future planning analysis largely revolves around the new streamlined urban growth boundary (UGB) amendment rules which create a 14-year UGB versus a 20-year UGB from the “old” rules. The project consists of four primary tasks:

1. Amending and establishing goals and policies to guide future planning efforts;
2. An updated dynamic buildable lands inventory the city can rely upon for future planning;
3. An evaluation of potential UGB study areas, based on the new Division 38 requirements (streamlined UGB); and
4. Creation of an action plan and implementation policies to refresh and reinforce the city’s economic development objectives and opportunities, achieve the identified residential density mix to satisfy the UGB streamlining rules, identify strategies to achieve identified community goals and objectives, and identify actions necessary to move forward with the analysis produced in Tasks 3 and 4 of this project.

On October 3, 2016 the City Council was provided an update on public input received on 10 questions aimed at getting feedback around community values. The approach was to ask one question per week, both in physical form on posters around town where citizens can write directly on the posters, and electronically on social media. The posters were placed in five locations: City Hall, Cultural Center, Library, Social Goods Market, and Friendsview Retirement Community.

Since that update was prepared the Citizen Planning Committee (CPC) met on September 29 and December 19, 2016 and the Technical Advisory Committee (TAC) on December 19, 2016. On September 29 the Citizen Planning Committee reviewed the community values questions input, discussed questions for stakeholder interviews/web survey building on the community values questions and developed a list of individuals for stakeholder interviews.

At the December 19 meeting the Citizen Planning Committee reviewed the public input from the focus groups and survey, draft comprehensive plan amendments, and reviewed a draft of the buildable land inventory. The Technical Advisory Committee reviewed the same material. Feedback received included the following:

1. Review public input from the focus groups and survey – Are there additional common



themes to add to the list? What are your impressions of the input?

CPC - General consensus that the city should move toward mixed-use neighborhoods as a best practice; discussion about how to make such neighborhoods limited in size and scale to fit in with existing development. Consensus that the city should allow ADUs in all neighborhoods. Consensus that the city should remove parking regulations for ADUs where street parking is available (i.e. for ADUs on local streets or minor collectors, but not on major collectors).

TAC - General consensus that the city should move toward mixed-use neighborhoods; discussion about how to make such neighborhoods Newberg-oriented, possibly by using design standards (height limits, materials, size, scale, etc.). Consensus that the city should allow ADUs in all neighborhoods.

2. Review draft comprehensive plan amendments.

CPC - Discussion about whether there should be an actual jobs-housing ratio in the Comp Plan, or whether it's more appropriate elsewhere, such as in the economic development strategy – consensus that it's too specific for the Comp Plan and should be removed. Discussion about how too much focus on jobs could worsen housing affordability, how to balance all of the factors, not shoot for too high of a jobs-housing ratio. Discussion about the terminology of “should” and “shall” in the Comp Plan, consensus to use either as appropriate – specifically the policy about not exceeding the carrying capacity should be a “shall” not a “should”.

TAC - Discussion about whether there should be an actual jobs-housing ratio in the Comp Plan, or whether it's more appropriate elsewhere, such as in the economic development strategy. Discussion about how too much focus on jobs could worsen housing affordability, how to balance all of the factors. Discussion about the terminology of “should” and “shall” in the Comp Plan, consensus to use either as appropriate.

3. Review draft buildable land inventory

CPC - General questions and discussion about the BLI.

TAC - Discussion about a variety of economic factors and specific facets of Division 38 for DLCDD follow-up. Discussion about how to classify certain things like mobile home parks – follow-up with YC assessor to determine how assessed, as real property or as “developed” property.

Some interesting takeaways from the survey include:

1. The majority (60%) of respondents thought Newberg's current lot sizes “are just right”, and 32% thought the current lots sizes “should be larger”.
2. 59% thought the city should allow a mix of housing types in neighborhoods, and 41% indicated we should not allow a mix of housing types in neighborhoods.

3. 53% of respondents “love the idea” of accessory dwelling units, while 43% are “optimistic but have concerns”.
4. 64% of respondents said that regulations for ADUs should be removed, and 36% said they should not.
5. Responses were evenly mixed between believing Newberg does or does not have enough jobs and employment opportunities.
6. 61% of respondents said that it does matter that Newberg is not a bedroom community, while 39% said that it does not matter.
7. 82% of respondents said “yes”, they would like to work in Newberg if they had the opportunity, primarily because people don’t like to commute out to other locations for work.
8. 68% of respondents believe that Newberg’s streets are just the right size, while 31% of respondents think Newberg’s streets are too narrow.
9. 42% of respondents said “yes” the city should engage in some level of planning efforts, while 14% said “no” for planning for the future of the Newberg-Dundee corridor.
10. 48% of respondents would prefer to live “in a neighborhood with a mix of houses and businesses that are easy to walk to”.

Following the CPC and TAC meetings material was compiled for Task 1 of the grant and submitted to the Department of Land Conservation and Development on December 30, 2016 (Attachment 1).

**Next Steps:**

1. Our project consultant, ECONorthwest, is currently working on Task 2, the buildable lands inventory, which is projected to be completed by March 15, 2017.
2. The consultant is working on the Urban Growth Boundary Study area map (Task 3) which is to be completed by the end of March 2017.
3. Development of an Action Plan and Implementation Policies (Task 4) to be completed by the end of May 2017.

**FISCAL IMPACT:**

Not applicable.

**STRATEGIC ASSESSMENT (RELATE TO COUNCIL PRIORITIES FROM MARCH 2016):**

Not applicable.

**ATTACHMENTS:**

1. Task 1 Closeout Report