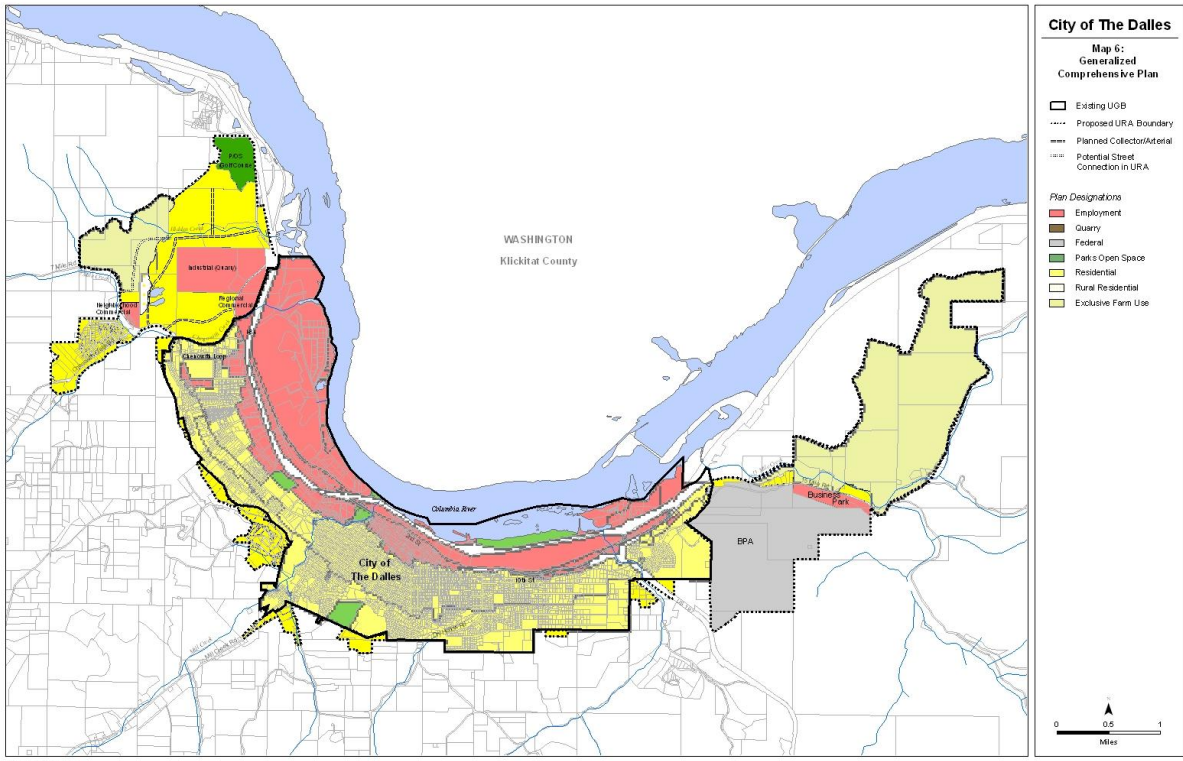


The Dalles Urban Reserve Area Justification Report

Including Findings in Support of Establishment of The Dalles Urban Reserve Area (URA)

September 2007



August 22, 2007

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Background Reports and Memoranda

Volume II of The Dalles Comprehensive Plan includes the following background documents that justify the need for, and location of the Year 2026 UGB and URA:

- *Land Use Needs and Locational Analysis* (Erik C. Rundell, City of The Dalles, 2005)
- *Population Forecast for The Dalles* (ECONorthwest, 2006)
- *City of The Dalles Economic Opportunities Analysis* (ECONorthwest, 2007)
- *City of The Dalles Residential Land Needs Report* (Winterbrook Planning, 2007)
- *City of The Dalles Recommended Zoning District Amendments* (Winterbrook Planning, 2006)
- *City of The Dalles Demographic Trends Analysis* (Winterbrook Planning, 2006)
- *Buildable Lands Inventory Methods and Maps for The Dalles UGB and URA* (Winterbrook Planning and the City of The Dalles, 2006)
- *Goal 13 Energy and Land Use Analysis* (ECONorthwest, 2006)
- *Urban Growth Management Report* (Winterbrook Planning, 2007)

Additional Supporting Memoranda

- *Public Facilities Findings for 2026 UGB and URA* (City of The Dalles Public Works Department, 2007)
- *Rural Residential Area Capacity Analysis* (City of The Dalles Community Development Department, 2007)

Executive Summary

The Dalles Urban Reserve Area (URA) identifies where growth will occur over the next 40-50 years and allows the City to plan for the extension of public facilities and services during this period. Once land is included within an URA, it becomes “first priority” under Oregon law for inclusion within The Dalles’ 20-year Urban Growth Boundary (UGB) and must be protected from “interim development” until included within the 20-year UGB.

These findings are intended to justify the amount and location of land included within the Urban Reserve Area. Amendment of The Dalles’ Urban Growth Boundary will follow joint adoption of the URA by Wasco County and the City of The Dalles. Although these findings and referenced reports demonstrate a 50-year need for residential, public / semi-public and employment land, the proposed URA includes less than a 50-year buildable land supply. The primary reason for not including more land at this time is the extreme topographic and institutional constraints that limit The Dalles’ longer-term growth potential.

The URA is locally adopted and acknowledged by the land Conservation and Development Commission (LCDC). However, the Columbia River Gorge Commission is not bound by a local decision to adopt, or LCDC’s decision to acknowledge, an Urban Reserve Area.

Recommendation to Move Ahead Separately with Establishment of the Urban Reserve Area

The URA Justification Report was originally included as Part III of *The Dalles Growth Management Report*.

- Part I of that report addressed expansion the 20-Year Urban Growth Boundary (UGB) and included extensive revisions to The Dalles Comprehensive Land Use Plan text and maps.
- Part II of that report addressed expansion of the “Urban Area” established under the Columbia River Gorge National Scenic Area Act.

The original intent was to process all three amendment packages simultaneously. However, expansion of the UGB is a complicated process – especially for cities within the Columbia River Gorge National Scenic Area. Expansion of the UGB and Urban Area must be:

1. Coordinated with and adopted by Wasco County;
2. Approved by the Columbia Gorge Commission as a “minor amendment” under the provisions of the Act (or alternatively by an act of the United State Congress); and then
3. Acknowledged by the Land Conservation and Development Commission (LCDC) as complying with applicable Statewide Planning Goals.

In contrast, establishment of the 50-year Urban Reserve Area (URA) is a simpler but nevertheless demanding process: it requires coordination and adoption by the Wasco County

prior to acknowledgment by LCDC for consistency with the Urban Reserve Area administrative rule (OAR Chapter 660, Division 021).

Gorge Commission staff have raised a number of issues that they believe should be addressed through the City and County review process before submittal to the Gorge Commission. At the same time, the Gorge Commission staff has recognized the Gorge Commission need not approve the establishment of the URA. The Gorge Commission and the Department of Land Conservation and Development are considering the appropriate process for review of the City's Urban Area / UGB expansion. Wasco County staff recently proposed a lengthy process for review of the Urban Area / UGB expansion. The Friends of the Gorge assert that an Act of Congress is required for The Dalles to amend its UGB to include a 20-year buildable land supply. **In short, it could be a while before the Urban Area / UGB amendment process is complete.**

Over the last two years, City staff and its consultants (Winterbrook Planning and ECONorthwest) have completed the studies necessary to establish an Urban Reserve Area. None of the objections received by the Planning Commission or City Council related to the amount of land included within the proposed URA or its location. For these reasons, **City staff proposes to move ahead separately and expeditiously with establishment of the URA as the more complex requirements of UGB / Urban Area expansion are addressed.**

Background

The City of The Dalles' growth is severely constrained by topographic features. The Dalles was originally sited on a bench on a bend in the Columbia River. The bench is confined by steep slopes and rimrock. Stream corridors and associated roads connect the town site with the upland plateau to the south, east and west. Non-irrigated areas on the moderately fertile plateau to the east and west of The Dalles are farmed for wheat. This area is comprised primarily of Class II-IV agricultural soils, with inclusions of poorer soils. Irrigated Class II-IV areas to the south have proven ideal for growing cherries – an industry that is highly valued in Wasco County. Grazing and non-productive lands northwest and east of The Dalles generally have lower value (Class VI-VIII) soils. Agricultural land is protected by Statewide Planning Goal 3 (Agricultural Lands).

The Dalles UGB was acknowledged by the Land Conservation and Development Commission (LCDC) in 1983. The 1983 UGB included 7.3 square miles of land and was intended to meet growth needs for the next 20 years. At that time, growth was confined by the Columbia River, Federal Bonneville Power Administration land to the east, and cherry orchards to the south. In 1982, planned growth in The Dalles did not justify expansion into lower quality agricultural soils (grazing lands) up Chenoweth Creek to the west and into Hidden Valley to the north.

In 1986, the United States Congress adopted the Columbia River Gorge National Scenic Area Act (NSAA), which established the bi-state Columbia River Gorge Commission. Under the provisions of the NSAA, the Gorge Commission established the National Scenic Area surrounding The Dalles UGB on all sides. As intended by Congress, the Gorge Commission

exempted the area within The Dalles UGB from provisions of the act.¹ However, a “minor amendment” is required for needed expansion of The Dalles “Urban Area.”

In 1993, the City conducted a thorough review of the Comprehensive Land Use Plan (CLUP) with respect to economic development, housing and recreational needs. As part of that process, the City adopted strong policies to encourage affordable housing and efficient use of land for urban development. The City also adopted policies to allow mixed-use, nodal commercial centers. As a result, residential development in The Dalles has averaged approximately 5.0 dwelling units per gross buildable acre – **relatively high density for a community east of the Cascades.**

In August of 2005, the City published the *Land Use Needs and Locational Analysis* (Erik C. Rundell, RARE Planner). This document includes 36 GIS (geographic information system) maps and text that summarize the physical (e.g., agricultural soil capability, slope, landslide areas, floodplains, wetlands, stream corridors); public / semi-public (e.g., public and semi-public land ownership, NSA boundaries); and economic (construction costs based on topography) “limitations” that constrain long-term growth in The Dalles. These maps were prepared specifically to address Statewide Planning Goal 14 (Urbanization) locational factors, as well as Columbia River Gorge National Scenic Area Act (NSAA) requirements for “urban area” status. Under the NSAA, the “urban area” is exempt from the provisions of the NSAA. Assuming coordination among local, state and federal agencies, the federally-approved Urban Area boundary should be collinear with the locally- and state-approved Urban Growth Boundary (UGB).

In February of 2006, Winterbrook Planning and ECONorthwest were chosen by the City to prepare comprehensive plan amendments and supporting studies necessary to justify expansion of the City’s UGB, CRGNSAA Urban Area expansion, and establishment of the Urban Reserve Area (URA). Over the last two years, Winterbrook has worked collaboratively with City staff to prepare a series of growth management studies, to provide support for the public and agency involvement process, and to draft findings in support of:

- Amendments to the existing UGB and The Dalles Comprehensive Land Use Plan (CLUP) pursuant to Statewide Planning Goal 14 (Urbanization) and the Goal 14 administrative rule (OAR Chapter 660, Division 024)
- Minor Amendments to The Dalles “Urban Area” pursuant to the Columbia River Gorge National Scenic Area Act
- Establishment of The Dalles URA pursuant to the Urban Reserve Area administrative rule (OAR Chapter 660, Division 021)

¹ Due to apparent mapping errors, small areas at the edge of The Dalles UGB were not given urban exempt status, and, therefore, have been required to comply with NSAA scenic standards. This error is being corrected as part of the 2006-08 UGB amendment process.

The Dalles 2056 Urban Reserve Area (URA)

The Dalles' URA is intended to provide an additional 20- to 30-year land supply beyond the area included within the UGB. The purpose of the URA is to retain rural areas in large parcels to facilitate long-range public facilities planning. The process for establishing The Dalles URA is similar to the process used to expand the UGB – prior to the enactment of the National Scenic Area Act.

The standards for determining the location of the URA is governed by the Urban Reserve Area administrative rule. In simple terms, rural exception areas are the highest priority for inclusion within the URA and high value agricultural land (generally irrigated cherry orchards) is the lowest priority. Less valuable, non-irrigated grazing and wheat land are medium priority. The rule provides for an exception where “built and committed” rural residential areas cannot reasonably meet identified needs, and where urban services cannot reasonably be provided.

The method for determining URA land need is similar to the method for determining UGB land need. The population projection largely determines housing and public / semi-public land needs and The Dalles' Economic Opportunities Analysis largely determines employment land needs.

Population Projection

The Wasco County Court adopted coordinated forecasts for Wasco County and its constituent cities on February 7, 2007. This forecast was based on a memorandum entitled *Population Forecast for The Dalles* prepared by ECONorthwest (May 26, 2006). The adopted and coordinated population projection shows a 2056 population of 31,926. The coordinated population projection is the foundation for determining the amount of land needed to accommodate population and livability growth needs within the URA. The Dalles population is projected to increase by 7,073 from 2006-2026, and by 16,454 from 2026-2056. From 2026 to 2046, the average annual rate of population growth is projected to decrease to 1.3%. From 2047 to 2056, the rate is projected to decrease further to 0.9%. This population projection provides the foundation for determining Year 2056 (URA) residential and public / semi-public land needs.

Residential and Public / Semi-Public Land Need and URA Supply

The *City of The Dalles Residential Land Needs Report* (Winterbrook Planning, 2007) determined the gross buildable land area needed to meet the City's housing needs during the 20- and 50-year planning periods. Buildable land means vacant, partially vacant and redevelopable land that is generally free of development constraints, such as steep slopes, wetlands, and riparian corridors.

The Dalles Residential Land Needs Report considered the results of the Housing Needs Analysis model provided by the Oregon Community Development Department, and considered trends in household income and housing cost as required by Statewide Planning Goal 10 (Housing). This report recommended a series of measures to help bring housing costs in line with household incomes in The Dalles and to increase land use efficiency. The Planning Commission reviewed the Winterbrook report and recommended increasing overall planned residential density from 5.0 to 5.6 dwelling units per gross buildable acre (or 7.0 dwelling units per net acre after subtracting for streets). **At this increased density, The Dalles will need approximately 1,222 gross buildable acres to meet Year 2056 housing needs.**

The Dalles Residential Land Needs Report also projected the need for public / semi-public land use needs – that is, the land needs for the community college, public schools, public parks, the golf course, religious institutions, group housing, and government uses. Most of these uses require relatively flat vacant land (generally 10 percent or less slope) in varying parcel sizes. The Dalles needs approximately 612 gross acres of land that meets the specific site suitability requirements of each type of public / semi-public use. For example:

- An elementary school typically requires about 10 acres of land with slopes of 10% or less close to the residential areas they serve.
- An active community park with athletic fields typically requires about 15-20 acres of land with slopes of 10% or less close to the residential areas they serve
- To expand to an 18-hole course with a driving and practice range, The Dalles Golf Course requires approximately 120 acres of land with slopes of 10% or less adjacent to the existing golf course.

Since public and semi-public land needs typically are met on land designated for residential use in The Dalles, these land needs are included in the residential category. **The Dalles will need approximately 612 gross buildable acres to meet Year 2056 public / semi-public residential land needs.**

The Dalles Buildable Lands Inventory includes text and tables documenting the buildable land area, by land use designation, within the existing UGB. Map 1: existing UGB Buildable Lands Inventory shows the location of buildable lands within The Dalles UGB.

As shown in Table I-1 below, housing and public / semi-public land needs total 1,865 acres for the 50-year period from 2006 - 2056. The proposed URA includes 1,210 gross buildable acres of potential residential land. This leaves a deficit of 308 residential acres in the URA. The proposed URA provides enough residential land to serve a population of approximately 13,700, or approximately enough additional residential land to serve projected population growth through the year 2046.

Table I-1: 2056 Residential Land Need versus Buildable Land Supply

2056 Residential Land Need vs Supply	Acres
2006-2056 Residential Need	1,865
2006 Residential Supply	348
Proposed 2056 URA Residential Additions	1,210
Total Surplus (Deficit)	(308)

Employment Land Need and URA Supply

The *City of The Dalles Economic Opportunities Analysis* (EOA, ECONorthwest, 2007) is the primary basis for determining the kinds of employment that are reasonably likely to locate in The Dalles (targeted employment), and for identifying the types and sizes of sites that will be needed to accommodate industrial and commercial growth needs. The EOA provides more specific information on the specific site requirements of targeted employment.

Two major events have shaped The Dalles' economy over the last five years: Google's decision to locate in The Dalles and the closing of the Northwest Aluminum plant:

- **Google** requires about a hundred acres of light industrial land to meet anticipated growth needs and will likely attract spin-off "cluster" industries.
- On the other hand, approximately 250 potentially redevelopable acres at the defunct **Northwest Aluminum** site have come on the market, and will help meet the site requirements of targeted industries identified in the EOA.

After accounting for these two watershed events and reviewing the *Economic Opportunities Analysis* (EOA), the Planning Commission determined that **The Dalles needs approximately 515 sites in a variety of sizes ranging from small (less than five acres) to large (50 plus acres) to meet industrial and commercial land needs over the next 50 years.**

Commercial and industrial users typically require relatively flat sites (10% slope or less), with arterial street access. Industrial uses typically prefer to locate in clusters – away from residential areas – to minimize potential conflicts. Neighborhood commercial uses, on the other hand, typically require sites in proximity to the residential areas they serve. Business parks (a combination of commercial and industrial users located in "flex" buildings) require relatively flat sites with access to an arterial street, but are more compatible with residential uses and therefore need not locate in a strictly industrial area.

As shown on Table I-2 below, The Dalles requires 977 acres of employment sites within its URA area, and proposes to provide 839 gross buildable acres of employment land. The proposed URA provides approximately 138 fewer acres than needed for 2056 employment site needs.

Table I-2: 2056 Employment Site Need versus Supply

2056 Employment Sites	Acres
Site Need	977
2056 URA Supply	839
Employment Surplus (Deficit)	(138)

Combined Year 2056 Buildable Land Need and Supply

Overall, The Dalles needs 2,842 gross buildable acres (about 4.4 square miles) to accommodate planned population, employment and livability growth needs from 2006 – 2056. The proposed URA falls short of this mark, with a total of 2,049 gross buildable acres – about 1.2 square miles less than needed.

As noted below, major topographical and institutional constraints limit the City's future growth.

The Location of the URA

Map 6 shows the location of the proposed URA. The Urban Reserve Area Rule sets priorities for determine which types of land to include within an urban reserve area. In The Dalles' case, the highest priority is rural exception areas, and the lowest priority is irrigated agricultural land. Non-irrigated wheat land is medium priority.

As shown on Map 6, URA expansion is proposed in three areas:

1. **Northwest of the existing UGB in Study Area 1.** This area includes rural residential exception areas along Chenoweth Creek and non-irrigated, low-quality grazing lands north of Chenoweth Creek.
2. **South of the existing UGB in Study Areas 2 and 3.** This area includes rural residential exception areas and very small agricultural parcels with existing development. The only large agriculturally-zoned parcels (approximately 19 acres) are needed for expansion of Columbia Gorge Community College.
3. **East of the existing UGB in Study Area 4.** This area is accessible from 15 Mile Creek Road and includes small pockets of rural residential exception areas, and large, flat development sites on non-irrigated grazing and wheat land on the plateau above Petersburg school. To meet identified siting requirements for employment and public/semi-public land, large parcels with slopes of 10% or less *and* access to a planned arterial street are required. Such sites are extremely scarce near The Dalles UGB. Winterbrook and City staff combed the four study areas and found only one area that has large, contiguous parcels suitable for meeting the City's longer-term employment needs: the bench generally east of the BPA Starr Complex that is accessed from 15 Mile Road. This medium priority rural area has predominantly Class II, III, and VIII soils that are not irrigated and that are currently in wheat production.

Map 2 shows rural residential exception areas and rural zoning within the four URA expansion study areas. Except for largely unbuildable canyon areas associated with Seven Mile Creek that lie within the Columbia River Gorge National Scenic Area, the proposed URA includes all rural exception areas within 1.5 road miles of the existing UGB.

Introduction

Establishment of The Dalles Urban Reserve Area is governed by the Land Conservation and Development Commission's (LCDC's) Urban Reserve Rule (OAR Chapter 660, Division 021). The purpose of urban reserves is stated in this rule as follows:

660-021-0000 Purpose

This division authorizes planning for areas outside urban growth boundaries to be reserved for eventual inclusion in an urban growth boundary and to be protected from patterns of development that would impede urbanization.

Section 1 of the rule states that cities may plan for 10-30 years beyond the 20-year planning period required for UGBs. The Dalles URA is based on Year 2056 employment, residential and public / semi-public land need projections. All cities in Oregon must maintain a 20-year urban land supply. The Dalles URA includes land outside the acknowledged UGB that eventually will be included within the UGB as (a) 20-year land need is demonstrated, and b) The Columbia River Gorge Commission approves a "minor amendment" to The Dalles Urban Area.

During the interim, land within The Dalles URA must be "protected" by Wasco County regulations to allow for efficient urban development in the future.

Report Organization

The Dalles' URA is established to meet the City's urban growth needs through the Year 2056. This report is organized as follows:

- Part I determines the land area that will be needed during the 50-year planning period.
- Part II justifies the location of the URA based on relevant provisions of the Urban Reserve Rule (OAR 660, Division 021).
- Part III explains how The Dalles and Wasco County will manage interim development within the URA prior to its inclusion within The Dalles' 20-year Urban Growth Boundary (UGB).

Relation to the Columbia River Gorge National Scenic Area Act (NSAA)

As part of the 2006-08 comprehensive plan revision process, The Dalles and Wasco County are seeking approval from the Gorge Commission to amend the "Urban Area" established under the Columbia River Gorge National Scenic Area Act (NSAA). Gorge Commission approval of an expanded "Urban Area" is necessary for The Dalles to expand its 20-year UGB to meet demonstrated population, employment and livability land needs. However, establishment of an urban reserve area does not require changes to Wasco County Comprehensive Plan map

designations or rural plan policies. In fact, OAR 660-021-0040 makes it clear that “lands in the urban reserve area shall continue to be planned and zoned for rural uses.”²

To the extent that County zoning is changed as a result of the establishment of an urban reserve area, *interim* zoning standards would be more restrictive. Therefore, there is no reason to conclude that establishment of an urban reserve area would be in conflict with the purpose of the NSAA. Moreover, a City and County decision to establish a URA is not binding upon the Gorge Commission. For these reasons, The Dalles is coordinating with Wasco County in the establishment of The Dalles’ URA independent of their request to amend the NSA Urban Area and expand The Dalles 20-year UGB.

Part I: Year 2056 Land Needs Assessment

This section demonstrates how much buildable land is needed to meet Year 2056 growth needs, and describes site suitability requirements for targeted employment, parks and schools. The following background documents provide the factual basis for establishing The Dalles URA:

Volume II of The Dalles Comprehensive Plan includes the following background documents that justify the need for, and location of the Year 2026 UGB and URA:

- *Land Use Needs and Locational Analysis* (Erik C. Rundell, City of The Dalles, 2005)
- *Population Forecast for The Dalles* (ECONorthwest, 2006)
- *City of The Dalles Economic Opportunities Analysis* (ECONorthwest, 2007)
- *City of The Dalles Residential Land Needs Report* (Winterbrook Planning, 2007)
- *City of The Dalles Demographic Trends Analysis* (Winterbrook Planning, 2006)
- *Buildable Lands Inventory Methods and Maps for The Dalles UGB and URA* (Winterbrook Planning and the City of The Dalles, 2006)
- *Goal 13 Energy and Land Use Analysis* (ECONorthwest, 2006)
- *Urban Growth Management Report* (Winterbrook Planning, 2007)

Year 2056 Population Projection

The coordinated population project is the basis for determining housing and public / semi-public land needs. The Wasco County Court adopted coordinated forecasts for Wasco County and its constituent cities on February 7, 2007. This forecast was based on a memorandum entitled *Population Forecast for The Dalles* prepared by ECONorthwest (May 26, 2006). The adopted and coordinated population projection shows a 2056 population of 31,926. The coordinated population projection is the foundation for determining the amount of land needed to accommodate population and livability growth needs within the URA. The 2056 population projection of 31,926 is used to justify the 2056 Urban Reserve Area (URA). As shown on Table

² The full text of this section reads as follows:

660-021-0040 Urban Reserve Area Planning and Zoning

(1) Until included in the urban growth boundary, lands in the urban reserve area shall continue to be planned and zoned for rural uses in accordance with the requirements of this section, but in a manner that ensures a range of opportunities for the orderly, economic and efficient provision of urban services when these lands are included in the urban growth boundary.

III-1 below, The Dalles population is projected to increase by 7,073 from 2026-2056, and by 16,454 from 2026-2056.

Table I-1: 2006-2056 Population Projection

Year	Population	Increase
2006	15,472	-
2026	22,545	7,073
2056	31,926	16,454

Employment Land Needs

The section identifies employment needs for the 50-year planning period. It begins with an overview of 20-year needs and builds on these needs to meet the URA timeframe.

Year 2006-2056 Employment Land Needs

The Dalles Economic Opportunities Analysis (ECONorthwest, April 2007), identifies targeted industries as well as needed site size and locational characteristics for those targeted industries. During this planning process, two significant employment events have occurred in The Dalles, affecting the available employment site supply:

- First, Google located facilities in The Dalles, developing on and optioning over 100 acres of industrial land;
- Second, Northwest Aluminum shut down its facility and put most of their land on the market, creating four redevelopment sites for future employment, ranging in size from 19 to 120 acres.

Prior to Northwest Aluminum’s decision, The Dalles had no suitable employment sites over 50 acres in size. However, Northwest’s Aluminum’s decision to close its plant permanently meant that all of the City’s short-term (20-year) large-site industrial needs can be met within the existing UGB.

The EOA (pp. vi-vii and 63-64) provides additional direction as to how land should be allocated to meet short-term employment needs:

- *The City has a deficit of commercial lands—in all designations. Our evaluation of the land capacity analysis is that the City should expand both the central business district and community commercial zones. The City should also consider identifying areas in close proximity to housing where neighborhood commercial services could be located.*
- *The City needs a large (40-acre+) regional commercial site. The City should identify and allocate buildable commercial land with access to I-84 to accommodate this need.*
- *In addition, the City should consider establishing a business park designation that could accommodate office uses as well as certain light manufacturing uses.*

Large, flat sites adjacent to the UGB with arterial street access are difficult to find. Therefore, the City was forced to lower its siting requirements for business parks and neighborhood commercial centers. These two employment categories are compatible with residential neighborhoods and do not require direct I-5 access. However, they must:

- Have direct access to an existing or planned arterial street;
- Be centrally located to serve existing or planned residential growth (neighborhood commercial centers only);
- Have slopes of 15 percent or less;
- Meet size requirements outlined by the EOA; and
- Be serviceable during the planning period with sanitary sewer, water and storm drainage facilities.

Table I-2 below shows needed employment sites by size category for the 50-year URA timeframe. The Dalles is projected to need 515 employment sites, totaling 977 acres, from 2006 through 2056.

Table I-2: 2006 - 2056 Employment Site Needs

2056 Site Size Needs	Average Site Size	2056 Needed Sites	2056 Site Acreage
Under 5	1	495	453
5 to 20	12	12	144
20 to 50	35	4	140
Over 50	60	4	240
Total		515	977

As shown on Map 6, The Dalles proposes to include the following employment lands within its 2056 URA, to meet short-term and 50-year employment needs:

- Study Area 1 (Northwest): A 44-acre general commercial site is proposed adjacent to I-84, with access to Chenoweth Creek Road and the Historic Columbia River Highway (US 30). Most of this site has slopes of 10 percent or less, with nearby sanitary sewer and water service.
- Study Area 1 (Northwest): An 18-acre neighborhood commercial site is located approximately a mile from the existing UGB, and is centrally located to serve the planned Hidden Valley expansion area. The site is accessed from Chenoweth Creek Road – a planned arterial street. Although most of the site is less than 10 percent maximum slope requirement, excavation will be required on slopes of 10-15% to create a relatively flat site suitable for neighborhood commercial use.
- Study Area 3 (South): A 33-acre proposed business park site is located on a relatively flat bench (with slopes of 10-15%), immediately adjacent to and east of the Bonneville Power Administration (BPA) Starr Complex. The site has direct access to 15-Mile Road, a planned arterial street. This site is proposed to be a 33-acre business park.

- Study Area 4 (East): Approximately 500 gross acres (477 buildable) of large, adjacent tracts of industrial and commercial land located on a relatively flat bench outside of the NSA boundary.³ Table I-3 shows the site size distribution of employment areas included within the URA. As shown on Table I-3, about 80% of the new employment land is found in large sites. These large sites currently have Exclusive Farm Use zoning and are used for wheat production and grazing. These sites will be able to meet both large and small site needs when they are brought into The Dalles' UGB, annexed, and provided with urban services.

Table I-3: URA Employment Sites

2056 URA Employment Sites	Number	Acreage
Under 5	5	8
5 to 20	4	57
20 to 50	4	141
Over 50	3	395
Total	16	601

Table I-4 shows a simple site comparison, using the existing configuration of URA employment land. A simple review of the site need compared to proposed supply would conclude that the URA falls about 435 acres short of meeting 2056 site needs.

³ While The Dalles' existing UGB meets most identified 20-year employment site needs, the City must look beyond its existing UGB to meet industrial and other employment site needs through the Year 2056. As noted in the section immediately above, suitable employment sites must:

- Be comprised of large blocks of land as near as possible to the UGB and outside the NSA boundary if possible;
- Have access to an I-84 interchange via an existing or planned arterial street;
- Except for neighborhood commercial sites, be located to minimize truck traffic through existing or planned urban residential neighborhoods and minimize potential conflicts with existing or planned residential areas by minimizing common boundaries;
- Be adjacent to existing industrial development or create an entirely new employment center;
- In the case of neighborhood commercial sites, be centrally located to serve existing and planned residential areas;
- Have slopes of 10 percent or less;
- Meet size requirements outlined by the EOA; and
- Be serviceable within the planning period with sanitary sewer, water and storm drainage facilities.

Large, flat sites adjacent to the 2006 UGB with arterial street access are rare. Therefore, the City was forced to adjust its siting requirements for basic employment, business parks and neighborhood commercial centers based on topographical conditions. Since the only flat areas large enough to meet industrial or business park siting needs are located on a bench approximately three miles from the closest I-84 interchange, the City is making a major investment in roads and infrastructure to serve this uniquely suitable area. As shown on Map 4, such sites are not available within rural residential exception areas in Study Area 1-4.

Table I-4 URA Site Supply versus 2006-2056 Site Need

2056 Site Size Needs	Average Site Size	2056 Supply	2056 Needed Sites	Site Surplus (Deficit)	Acres Surplus (Deficit)
Under 5	1	11	495	(484)	(484)
5 to 20	12	14	12	2	24
20 to 50	35	3	4	(1)	(35)
Over 50	60	5	4	1	60
Total		33	515	(482)	(435)

However, because of the development restrictions on URA land and because most of the proposed employment land is found on large, adjacent parcels, it is expected that site configurations will change as the land is included within The Dalles UGB. Due to these factors, it is more reasonable to compare total land supply with total site need, rather than assume existing URA employment site sizes will remain constant. As shown on Table I-5 below, The Dalles requires 977 total acres of employment sites within the 50-year timeframe, and proposes to provide 839 acres of employment land within the existing UGB and proposed URA. The proposed URA provides approximately 138 fewer acres than needed for 2056 employment site needs.

Table I-5: 2056 Employment Site Need versus Supply

2056 Employment Sites	Acres
Site Need	977
2056 URA Supply	839
Employment Surplus (Deficit)	(138)

Residential and Public / Semi-Public Land Needs

The section first determines 20-year residential and public / semi-public land needs that are met within and immediately outside the exiting UGB. Then residential and public / semi-public land needs for the 20-50 year planning period are identified.

Year 2006-2026 Residential and Public / Semi-Public Land Needs

The *Residential Land Needs Report* (Winterbrook, April 2007) projected housing and public/semi-public land needs for 2026 and 2056. The report first considered residential land needs based on recent development trends. This report determined that, should The Dalles continue to develop at types and densities consistent with actual development over the last seven years, The Dalles would have required 1,403 acres of residential land to meet housing demand through 2026, as shown on Table I-6 below.

Table I-6: 2056 Housing Land Need – Based on Actual Development

Plan Designation	Percent	Units	Gross Density	Gross Acre Need
RL	64%	4,514	4.4	1,026
RMH	22%	1,552	7.2	216
RH	14%	987	6.1	162
Totals	100%	7,053	5.0	1,403

However, Statewide Planning Goal 10 (Housing) requires that cities provide for the housing needs of existing and future residents, and requires cities to conduct a “housing needs analysis” that compares local housing needs with housing costs. The Dalles prepared such an analysis in

1992, when it adopted a series of effective measures to meet the housing needs of its citizens. Winterbrook updated this analysis in 2007 and considered recent increases in land costs and changes in housing types that have occurred over the last few years in The Dalles. Winterbrook concluded that increased densities and a broader mix of housing types were necessary to meet the community's future housing needs. The Planning Commission reviewed and recommended approval of the *Residential Land Needs Report* and additional "measures" to increase land use efficiency and reduce housing costs.

These measures are summarized below:

- Plan for more multi-family and higher-density affordable home ownership opportunities, including small lot single-family and row homes, as called for in the Residential Land Needs Report;
- Establish minimum densities in each residential zoning district:
 - Low Density Residential designation at 3-6 dwelling units per gross acre;
 - Medium Density Residential designation at 7-17 dwelling units per gross acre;
 - High Density residential designation at 10-25 dwelling units per gross acre;
- Plan for 20% of future single family dwellings to be affordable "small lot" single family on 4,000 square foot lots;
- Use variable lot dimensions to allow flexibility in platting irregular blocks. A wide lot of 55 to 70 foot width can present the illusion of a larger house where lot depth may be 70 to 80 feet. Alternating narrow and wide lots can be used to accommodate different housing plans and appeal to target markets.
- Allow for rental additions to existing single family neighborhoods with reasonable design guidelines. A new, generally small rental or "studio" unit can be created by converting a garage, building over garages, dormer additions on second stories, or basement apartment conversions.
- Cluster housing can increase the standard single family densities of 6 units per acre to anywhere from 8 to 14 units by clustering homes together and sharing open spaces.
- Attached housing in the form of duplexes and triplexes can be added to existing neighborhoods on relatively small lots. Many cities allow such development on large corner lots, while reserving interior lots for more traditional housing.
- Townhouses or rowhouses are the same, a single family attached dwelling with a common wall shared with other units. Typically these units are narrow (22' to 32' wide) arranged in clusters or rows of 2 to 10 units, producing densities of from 10 to 16 units per acre. Each townhouse and townhouse lot (2,000 to 3,500 square feet) is individually owned and may be sold or rented, appealing to many markets.
- Increase overall planned residential density from 5.0 to 5.6 dwelling units per gross acre, or 7.0 dwelling units per net acre;
- Include a new multi-family area within the URA, west of the new Highway 30 commercial center;
- Include a new mixed-use neighborhood center at the intersection of Chenoweth Creek Road and Seven Mile Hill Road;
- Allow for automatic density transfer through an administrative review process on sites with topographic constraints; and

- Adopt zoning code amendments that ensure residential densities occur within planned density ranges in each district.

The *City of The Dalles Recommended Zoning District Amendments* (Winterbrook Planning, July 2006) includes detailed recommendations to the City’s residential and mixed used districts that implement the above “measures.” As shown in Table I-7 below, these measures reduce Year 2006-2056 buildable land needs by 150 acres (about 11%), when compared with actual densities that occurred from 2001-2006. Thus, based on new measures to reduce housing costs and increase land use efficiency, there is a demonstrated need for 1,253 gross buildable residential acres through 2056.

Table I-7: Reduced 2056 Housing Land Need – With Measures

Unit Type	Percent	Units	Gross Density	Net Density	2056 Gross Acres Needed
SF- Large Lot	50%	3,526	4	5	882
SF- Small Lot	20%	1,411	7	8.8	202
Mobile Home Park	5%	353	8	9.4	44
Multi-Family	25%	1,763	14	16.5	126
Totals	100%	7,053	5.6	7	1,253

In addition to housing needs, the *Residential Land Needs Report* analyzed public and semi-public land needs that typically are met on land designated for residential use. These needs are summarized in Table I-8 below.⁴ Through 2056, The Dalles is projected to need about 612 acres of suitable land for public and semi-public uses.

Table I-8: 2026 Public / Semi-Public Land Need

2006-2056 Public / Semi-Public Need	Acres
Schools	97
Community College	19
Park	197
Golf Course	120
Religious	61
Group Housing	14
Government	105
Total	612

Table I-9 shows The Dalles’ total residential land need through 2056, including land for housing and public / semi-public uses. The Dalles will require a total of 1,865 residential acres to meet its identified 2056 residential land needs. Active recreational parks and schools typically require large, flat sites. Specific site requirements for parks and schools are discussed a few pages below.

⁴ At the June 7, 2007 Planning Commission public hearing, the Columbia Gorge Community College presented the results of its recent facilities planning process, which documented the need for additional land adjacent to the existing college. As a result, The Dalles Planning Commission identified an additional need community college expansion land that had not previously been addressed in the *Residential Land Needs Report*. Testimony was also provided by The Dalles Golf Course, which identified a need for additional land to expand its existing 9-hole course to a standard 18-hole course with practice facilities.

Table I-9: 2026 Residential Land Need

2006-2056 Total Residential Land Need	Acres
Housing	1,253
Public / Semi-Public	612
Total	1,865

The *Residential Land Needs Report* compared residential land needs with The Dalles' existing residential land supply. As shown on Table I-10, The Dalles currently has 348 gross buildable residential acres inside its existing UGB.

Table I-10: 2006 Residential Land Supply

2006 Residential Supply	Acres
Low Density Residential	296
Medium Density Residential	19
High Density Residential	33
Total	348

The Dalles' residential land supply is not sufficient to meet its 50-year residential land needs. As shown on Table I-11, The Dalles will require an additional 1,517 residential acres to meet residential land needs through 2056.

Table I-11: 2056 Residential Need and existing UGB Supply

2056 Residential Land Need vs Supply	Acres
2006-2056 Residential Need	1,865
2006 Residential Supply	348
Surplus (Deficit)	(1,517)

As noted in the discussion of the location of the URA below, the Urban Reserve Area administrative rule generally requires cities to include exception areas before including agricultural land. To meet OAR Chapter 600, Division 021 priorities, The Dalles proposes to include residential exception areas adjacent to or near (i.e., within a quarter mile of) the existing UGB. The Dalles Community Development Director analyzed residential housing capacity in these exception areas (*Findings for Exception Areas and Adjacent Properties*, The Dalles, June 2007), and determined they had the capacity to provide an additional 323 residential dwelling units. These results are shown on Table I-12. This 323-unit capacity provides the equivalent of 58 acres of residential land need at 5.6 dwelling units per gross buildable acre.

Table I-12: Rural Residential Exception Area Capacity

Exception Area Capacity	Units
1A	7
1B	50
2A	56
2B	40
3	120
4	9
5	38
6	3
Total	323
Acreage Equivalent @ 5.6 DU/Acre	58

As shown on Table I-13 below, inclusion of all adjacent rural residential exception areas still results in a 2056 residential land deficit of 1,460 acres. This remaining deficit must be provided on agricultural lands.

Table I-13: 2056 Residential Land Need

2056 Residential Land Need vs Supply	Acres
2006-2056 Residential Need	1,865
2006 Residential Supply	348
Exception Areas Capacity	58
Surplus (Deficit)	(1,460)

Year 2006-2056 Public / Semi – Public Site Requirements

Like employment uses, schools and parks have specific siting requirements. Identifying and providing suitable sites for schools and parks is especially important in The Dalles, where large, flat sites are in short supply.

School Site Needs

The RLNA identified a 2056 need for about 97 acres of residential land for school sites for 4-5 elementary schools and 1-2 middle school. Schools have more stringent requirements for siting than land used for housing. Winterbrook applied the following siting requirements to determine feasible potential future school siting.

- **Site Size:** Year 2056 School site size needs fall in the following ranges:
 - 4-5 elementary schools at 8-12 acres each; and
 - 1-2 middle school at 15-25 acres.
- **Topography:** School sites should be relatively flat, generally less than 5% slope, and not more than 10% slope. A portion of the site may exceed these slope criteria, so long as at least 90% of the site falls within the < 10% slope category.
- **Land Ownership:** Schools require large parcels to allow for efficient land development and to reduce consolidation costs. Sites with a single owner are strongly preferred.
- **Level of Development:** Sites that are developed, or partially developed, are less attractive as school sites. Undeveloped sites are preferred.
- **Natural Features:** Unbuildable land should be removed from the calculation. Lands with protected natural features (wetlands, floodplains, riparian areas) should not be considered in meeting site size requirements. Moreover, a stream or wetland that is located in the middle of a site could have the effect of dividing large school sites, and reducing the area available for development.
- **Street Access:** Elementary schools, middle schools should be located on or within a quarter mile of a collector street.

- **Shape:** School sites should be fairly regular in shape and should not be broken up by highways or natural features. School sites should have adequate depth and should not depend on narrow configurations that result in inefficient land use or substantial frontage improvement costs.
- **Services:** Sanitary sewer and water service must be available, and have adequate capacity, to serve the site during the planning period.

Sites Proposed to Meet Year 2056 School Siting Needs

The School District owns an 8.2 acre lot with an existing school located on the west side of the existing UGB. The proposed URA includes this site. The proposed Northwest URA expansion area includes large, flat sites under single ownership that can meet remaining needs for an elementary and middle school, perhaps in concert with a community park.

Park Site Needs

The RLNA identified new 2056 park needs totaling about 197 acres. The City applied the following park siting criteria:

- **Site Size:** The minimum site size should be 3-5 acres for neighborhood parks, and 15-20 acres for a community park. The neighborhood parks can be assimilated into residential development through park standards.
- **Topography:** Neighborhood and community park sites should be relatively flat so that they can accommodate facilities such as athletic fields and recreational buildings – generally less than 5% slope, and not more than 10% slope.
- **Land Ownership:** Parks require relatively large parcels with few owners to allow for efficient land development and to reduce consolidation costs. Sites with a single owner are strongly preferred.
- **Level of Development:** Sites that are developed, or partially developed, are less attractive as park sites. Undeveloped sites are preferred.
- **Natural Features:** Unbuildable land should be removed from the calculation for high density recreation areas. Lands with protected natural features (wetlands, floodplains, riparian areas) should not be considered in meeting site size requirements. While a stream or wetland may provide beneficial open space values, if it is located in the middle of a site, it could have the effect of dividing large sites, and reducing the area available for more intensive recreational development.
- **Street Access:** Neighborhood parks and community parks should have collector street access, or be within ¼ mile of a collector street.
- **Shape:** Park sites should be fairly regular in shape and should not be broken up by streets. Natural features should be located in such a way as to allow for adequate blocks of buildable land. Park sites should have adequate depth and should not depend on

narrow configurations that result in inefficient land use or substantial frontage improvement costs.

- **Services:** Sanitary sewer and water service must be available for urban parks, and have adequate capacity, to serve the site during the planning period.

Sites Proposed to Meet Year 2056 Park Siting Needs

Since the majority of park need is 3-5 acre neighborhood parks, which can be accommodated as part of residential development, the remaining unmet site need is for a 20-acre community park. The proposed Northwest UGB expansion area contains over 400 acres of residential land that could meet park siting needs.

Part II: URA Locational Criteria

Introduction

The URA is intended to meet most of The Dalles' urban growth needs through the Year 2056. Part I determined the land area that will be needed during the planning period. Part II justifies the location of the URA based on relevant provisions of the Urban Reserve Rule (OAR 660, Division 021). The URA is specifically designed to direct most of The Dalles' future growth outside the Columbia River Gorge National Scenic Area.

The Dalles was originally sited on a crescent-shaped bench along the Columbia River. This relatively flat land allowed for river, railroad and highway access for this rich agricultural area. Growth in The Dalles has occurred along the riverfront and up into the hillsides above the original town settlement. Future growth in The Dalles is severely constrained by the Columbia River, irrigated and productive cherry orchards steep topography to the south, an impenetrable basalt ridgeline to the northwest, and tribal lands to the northeast. The Bonneville Power Administration (BPA) owns more than a square mile of land along the eastern segment of the existing UGB.

Potential URA Study Areas

Map 2 shows the four URA study areas. The outer study area boundaries extend from one to two miles beyond the existing UGB. These four study areas are defined based on topographical considerations, including the Columbia River, slopes and drainage basins; as well as artificial features (e.g., roads or tax lot boundaries) and ownership patterns (e.g., tribal or federal ownership). Major roads and railways form the primary divisions among the study areas. Thus, Study Areas 1 and 2 are separated by Chenoweth Creek Road; Study Areas 2 and 3 are separated by Mill Creek Road; and Study Areas 3 and 4 are separated by 15 Mile Road (which follows 15 Mile Creek). The Study Areas are ordered in a counter-clockwise manner, beginning to northwest of the existing UGB with Study Area 1 (SA-1 - Northwest) and ending with Study Area 4 (SA-4 - East). The Study Areas range in size from 10 to 16 square miles, and have a combined size of just over 50 square miles.

Study area characteristics (zoning, agricultural soils, federal ownership, and topography) are shown on Maps 2-5. The location, size and characteristics of each Study Area are summarized in Table II-1.

Table II-1. Study Area Location and Size

Study Area	Location and Characteristics	Size (acres)
SA-1. Northwest	SA-1 is bounded to the northeast by the Columbia River, the south by the existing UGB and Chenoweth Road, and the northwest by property lines 1-2 miles from the existing UGB. SA-1 is comprised of grazing land and forest land, an existing quarry, and several rural exception areas (including Murray's Addition). Most of SA-1 is within the Columbia Gorge NSA, and includes several rare plant sites associated with rocky upland areas, Hidden Creek, the Historic Columbia River Highway, Memaloose State Park, the Discovery Center, portions of two NSA Open Space Special Management Areas, NSA Special Management Area A-1, and the historic The Dalles Golf Course clubhouse. The eastern portion of SA-1 (including the Hidden Creek and Chenoweth Valleys) is relatively flat and contains most of the buildable land in this study area. A steep basalt ridge separates the western two-thirds of SA-1 from the Hidden Creek area.	7,421
SA-2. Southwest	SA-2 is bounded to the northeast by the existing UGB, the southeast by Mill Creek Road, the southwest by property lines roughly two miles from the existing UGB, and the north by Chenoweth Road. The Chenoweth Table is located in the northeastern portion of SA-2, is protected from development by a Nature Conservancy easement. The Chenoweth Table is the largest buildable area within SA-2, other than orchard land to the east. A cliff and the Chenoweth Table separate the existing UGB in SA-2 from rural residential exception areas to the southwest. The southern portion of SA-2 is comprised of irrigated orchard land. Several rural residential exception areas are located in the northwest, beyond the Chenoweth Table. About half of SA-2 is located within the NSA boundary. All land adjacent to the UGB in SA-2 is within the Columbia River Gorge NSA.	8,030
SA-3. South	SA-3 is bounded to the north by the existing UGB, the east by 15 Mile Road, the south by property lines roughly 1-2 miles from the existing UGB, and the west by Mill Creek Road. Except for the BPA Starr Complex, SA-3 is comprised of irrigated orchard land and a few small exception areas along major roads. About half of SA-3 is located within the NSA boundary. All land adjacent to the UGB in SA-3 is within the Columbia River Gorge NSA, except for land owned by BPA.	10,318
SA-4. East	SA-4 is bounded to the northwest by the Columbia River, the southwest by the 15 Mile Road and BPA land, the southeast by property lines roughly two miles from the existing UGB, and the east by Warm Springs tribal lands. SA-4 is comprised of grazing or tribal lands. The Petersburg School is located in the central western portion of this study area. The northwest portion of SA-4 is within the Columbia Gorge NSA. The central bench portion of SA-4 is relatively flat. Steep rocky areas located along the Columbia River to the northwest above the bench area to the southeast.	6,511
TOTAL	All Study Areas	32,280

Source: Winterbrook Planning and City of The Dalles

Urban Reserve Rule Locational Criteria

The Urban Reserve Rule sets forth locational criteria for establishment or amendment of Urban Reserve Areas in OAR 660-021-030(2-5). OAR 660-021-030(2) sets forth the basic principal underlying the location of urban reserve areas:

*(2) Inclusion of land within an urban reserve area shall be based upon the locational factors of Goal 14 and a demonstration that there are no reasonable alternatives that will require less, or have less effect upon, resource land. Cities and counties cooperatively * * * shall first study lands adjacent to, or nearby, the urban growth boundary for suitability for inclusion within urban reserve areas, as measured by the factors and criteria set forth in this section. Local governments shall then designate for inclusion within urban reserve areas that [sic] suitable lands which satisfies the priorities in section (3) of this rule.*

OAR 660-021-030(3) sets forth priorities for determining which kinds of land should be included within the URA. These priorities mirror the priorities for urban growth boundary expansion set forth in ORS 197.298.⁵ In The Dalles case, rural exception areas are first priority for inclusion within a URA, lower value agricultural land (Class VI-VIII soils typically used for grazing) are medium priority, and high value agricultural land (Class II-IV soils typically used for cherry or wheat production) are lowest priority.

The locational criteria in Goal 14 require a comparative evaluation of potential expansion areas that can reasonably be expected to meet identified needs. The review standards include (a) the locational standards of Goal 14 (Urbanization) and the priorities (and reasons to depart from them) set forth in the Urban Reserve Rule. Part II justifies the location of the URA based on relevant provisions of the Urban Reserve Rule (OAR Chapter 660-021-030).

⁵ (3) Land found suitable for an urban reserve may be included within an urban reserve area only according to the following priorities:

(a) First priority goes to land adjacent to, or nearby, an urban growth boundary and identified in an acknowledged comprehensive plan as an exception area or nonresource land. First priority may include resource land that is completely surrounded by exception areas unless these are high value crop areas as defined in Goal 8 or prime or unique agricultural lands as defined by the United States Department of Agriculture;

(b) If land of higher priority is inadequate to accommodate the amount of land estimated in section (1) of this rule, second priority goes to land designated as marginal land pursuant to ORS 197.247;

(c) If land of higher priority is inadequate to accommodate the amount of land estimated in section (1) of this rule, third priority goes to land designated in an acknowledged comprehensive plan for agriculture or forestry, or both. Higher priority shall be given to land of lower capability as measured by the capability classification system or by cubic foot site class, whichever is appropriate for the current use.

(4) Land of lower priority under section (3) of this rule may be included if land of higher priority is found to be inadequate to accommodate the amount of land estimated in section (1) of this rule for one or more of the following reasons:

(a) Future urban services could not reasonably be provided to the higher priority area due to topographical or other physical constraints; or

(b) Maximum efficiency of land uses within a proposed urban reserve area requires inclusion of lower priority lands in order to include or to provide services to higher priority lands.”

(5) Findings and conclusions concerning the results of the above consideration shall be adopted by the affected jurisdictions.”

First priority goes to land adjacent to, or nearby, an urban growth boundary and identified in an acknowledged comprehensive plan as an exception area or nonresource land.

As noted above, the Urban Reserve Rule sets priorities for determining which types of land to include within an urban reserve area. Because (a) the preliminary 2026 UGB has not yet been acknowledged by the Land Conservation & Development Commission, and (b) a minor amendment to the NSA Urban Area has not yet been approved by the Columbia River Gorge Commission, these findings justify establishment of The Dalles URA using the acknowledged existing UGB as the base.

In The Dalles' case, the highest priority is rural exception areas, and the lowest priority is irrigated agricultural land. Non-irrigated wheat land is medium priority. Except for largely unbuildable canyon areas associated with Seven Mile Creek, the Dalles URA includes all rural exception areas within 1.5 road miles of the existing UGB.

To examine the potential for rural exception areas to meet long-term growth needs, the City considered all "adjacent and nearby exception areas" within 1.5 miles of the existing UGB.⁶ Maps 2 and 3 and the map attached to the *Rural Residential Exception Area Capacity Analysis* show six rural residential exception areas proposed for inclusion within The Dalles URA:

SA-1 (Northwest) has two large rural residential exception areas within 1.5 road miles of the existing UGB along Chenoweth Creek Road. These areas are identified as Areas 1 (1A and 1B) and 2 (2A and 2B) in the *Rural Residential Area Capacity Analysis*. These exceptions areas are included within the URA. A relatively small rural residential exception area, located within and at the edge of Seven Mile Creek canyon, was excluded because it is incapable of meeting identified urban development needs and it would be prohibitively expensive to serve.⁷

⁷ This rural residential exception area located below Seven Mile Road was not included within the URA for the following reasons:

(1) First, future urban services cannot reasonably be provided to this exception area due to topographical constraints. As shown on Map 5, these canyon areas have relatively little *accessible* buildable land. There are ten parcels with 116 gross acres. The land drops down from the road to Seven Mile Creek, which is enclosed by steep canyon walls. There is a thin strip of land with less than 25% slope along the upper portion of Seven Mile Road – after it turns to the south. This area already has five homes and about 3.5 buildable acres (assuming that each home uses a half acre). If urban services were extended to this upper area, four to five additional homes could be constructed on the south side of the road. Therefore, inclusion of this area would do little to meet identified needs for urban housing in The Dalles. The cost of extending sanitary sewer and water to serve these areas would be prohibitive when compared with the potential development yield. Testimony from homeowners along this portion of Seven Mile Road was unanimously opposed to inclusion within the UGB – indicating that there is little likelihood that property owners would invest in sewer, water and street improvements necessary to serve remaining buildable land on the south side of Seven Mile Road. Although there is some land with less than 25% slope on the opposite side of the Seven Mille Creek canyon, road construction within these steep canyon areas is not feasible due to construction costs, and would disrupt the Seven Mile Creek riparian corridor.

(2) Second, road and utility construction, even if it were feasible, would have serious adverse social and environmental consequences. These canyon areas are located within the Columbia River Gorge National Scenic Area (NSA) boundary at the gateway to The Dalles Urban Area. Urban development within this scenic canyon would be inconsistent with the CRGNSA Management Plan which encourages the protection of scenic riparian corridors. (See Part II of this report.) In conclusion, because the Seven Mile

To meet identified siting requirements for employment and public/semi-public land, large parcels with slopes of 10% or less *and* access to a planned arterial street are required. As noted in Parts I and II of this report, such sites are extremely scarce near The Dalles UGB. Winterbrook and City staff combed the four study areas and found only one area that has large, contiguous parcels suitable for meeting the City's longer-term employment needs: the bench generally north of the BPS site that is accessed from 15 Mile Road. This medium priority rural area has predominantly Class II-VI soils and is currently in wheat production or used for grazing.

There is a second large rural residential exception area to the about 1.5 miles south of the existing UGB, accessible from Chenoweth Creek Road, but separated from the first exception area (included in the URA) by agricultural land. However, the buildable portions of this exception area are located almost entirely on the south side of Chenoweth Creek, and therefore would be difficult to access with urban streets without extreme environmental damage to the deep ravine and associated riparian corridor.

As shown on Map 4, this area has no sites that meet employment suitability criteria, and has very little buildable area below the Chenoweth Water District service level of 660 feet. Thus, inclusion of additional rural residential land within the URA would do little to meet long-term growth needs, but would be very expensive to serve and would have adverse environmental consequences. For these reasons, the upper Chenoweth Creek rural residential exception area is not proposed for inclusion within the URA.

SA-2 (Southwest) and **SA-3 (South)** together have three rural residential exception areas that abut the existing UGB (Areas 3, 4 and 5). All are included within the URA. Study Area 3 has a large rural residential exception area that is accessible via Cherry Heights Road through irrigated cherry orchards with Class II-IV soils. Preservation of this high value agricultural land would be difficult, if not impossible, if urban roads and services were extended approximately 1.5 miles through this agricultural land to reach the rural residential area further to the southwest.

SA-4 (East) has one, small rural residential exception area along 15 Mile Road (Area 6). It, too, is included within the URA. The former Petersburg school building is located along 15 Mile Road and will become part of the proposed neighborhood service center. 15 Mile Road continues northeastward to serve the proposed the large employment area planned for the relatively flat bench area above.

Next priority goes to land designated in an acknowledged comprehensive plan for agriculture or forestry, or both. Higher priority shall be given to land of lower capability as measured by the capability classification system or by cubic foot site class, whichever is appropriate for the current use.

After bringing in all rural residential exception areas within 1.5 miles of the existing UGB, the City concluded that it must bring agricultural land into the URA. As shown on Map 3 (Agricultural Soils), the City made a conscious choice to avoid areas with irrigated, Class II-IV

Creek exception areas in SA-1 have almost no accessible buildable land and serve as a scenic gateway to The Dalles Urban Area, these canyon areas are not included within the URA boundary.

soils in Study Areas 2 and 3. Instead, the City chose to include the following areas within the URA.

Study Area 1 (Northwest): Additional Class VII agricultural land located above the ridgeline. This land is currently used for grazing but lies within the Columbia River Gorge NSA.

Study Area 4 (East): Additional Class II-VIII agricultural land located northeast of the BPA Starr Complex. This non-irrigated land is used for wheat production and grazing, but does not support cherry production. As noted above, the area with Class II-IV soils includes the only relatively flat bench that provides large, suitable employment sites within any of the study areas. Except for irrigated orchard lands, the only other large flat area adjacent to the preliminary 2026 UGB is the “Chenoweth Table”, which has a conservation easement held by the Nature Conservancy. Except for a relatively small area immediately north of 15 Mile Creek, the proposed URA is located outside the Columbia River Gorge NSA.

Goal 14 Location Factors

This section addresses applicable Goal 14 location factors. Goal 14 Boundary Location section reads as follows:

The location of the urban growth boundary and changes to the boundary shall be determined by evaluating alternative boundary locations consistent with ORS 197.298 and with consideration of the following factors:

- (1) Efficient accommodation of identified land needs*
- (2) Orderly and economic provision of public facilities and services;*
- (3) Comparative environmental, energy, economic and social consequences; and*
- (4) Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.*

Background

In August of 2005, the City published the *Land Use Needs and Locational Analysis* (Erik. C. Rundell, RARE Planner for The Dalles). This document includes 36 GIS maps and text that summarize the physical (e.g., agricultural soil capability, slope, landslide areas, floodplains, wetlands, stream corridors); institutional (e.g., public and semi-public land ownership, NSA boundaries); and economic (construction costs based on topography) “limitations” that constrain long-term growth in The Dalles. These maps were prepared specifically to address Goal 14 locational factors as well as National Scenic Area Act (NSAA) requirements for “urban exempt area” status. Winterbrook and the City have drawn extensively from this maps and analysis in the Rundell study in evaluating the direction of growth.

Working with City staff, Winterbrook identified four study areas surrounding the existing UGB for potential inclusion in the URA, and evaluated each study area for consistency with Urban Reserve Area establishment priorities and Goal 14 (Urbanization) Boundary Location Factors 1-4 and Goals 5, 6 and 11. To address Urban Reserve Area establishment priorities and Goal 14 Boundary Location Factor 4, Map 3 shows rural exception areas and agricultural lands in relation to the existing UGB.

To address Goal 11 (Public Facilities and Services) and Goal 14 Boundary Location Factor 2, The Dalles Public Works Department analyzed the feasibility and cost of providing water, sanitary sewer and storm sewer services to each study area.

To address Statewide Planning Goal 5 (Natural Resources, Scenic and Historic Resources, and Open Spaces), Goal 7 (Areas Subject to Natural Hazards) and Goal 14 Boundary Location Factor 3 (economic, social, environmental and energy consequences), Winterbrook conducted a preliminary inventory of wetlands (from the National Wetlands Inventory), riparian corridors and floodplains (LUNLA study), and wildlife habitat (based on Wasco County inventories) within each study area.

During the winter and spring of 2007, The Dalles also considered natural features identified in Columbia River Gorge National Scenic Area (NSA) Management Plan. (See Part II of this report.) To minimize impacts on special management areas, farm and forest land, cultural resources, historic resources (including the golf clubhouse and the Columbia River Highway), Columbia River scenic viewsheds, and natural features (including wetlands, streams, ponds, lakes, sensitive wildlife habitat, rare plants, and natural areas), the City modified its draft preliminary 2026 UGB substantially.

Table II-2 summarizes the land area and characteristics of land that is proposed to be added to The Dalles URA and identifies the relevant study area(s):

Table II-2: Proposed Urban Reserve Area Acreage Summary

Comprehensive Plan Land Use Designation	Description and Purpose	Gross Acres	Buildable Acres
BPA Starr Complex (Public Open Space - POS)	Study Area 4 – East: Land owned by Bonneville Power Administration east of existing UGB and Outside Columbia River Gorge National Scenic Area (NSA). Included in 2026 UGB to connect with Proposed URA.	853	0
Existing Quarry and Shooting Range Site (Industrial), ODOT Site (Residential)	Study Area 1 – Northwest: Existing quarry site within NSA. Quarry activity not visible from I-84 or SR 14. Slopes of 20% or greater to be protected by plan policy with no visual impact. ODOT site adjacent to I-84 and quarry.	216	0
Existing Golf Course (POS)	Study Area 1 – Northwest: Existing golf course and historic club house located on slopes of less than 20%. Golf course generally not visible from I-84 or SR 14. No intensification of land use proposed. Existing historic club house to be protected by City historic regulations.	92	0
Rural Residential Areas (Residential)	Study Areas 1-4 (Northwest, Southwest, South and East): Rural residential areas are largely developed, highly parcelized, and have access limitations. Exception Areas 1-6 plus abutting developed small A-1 parcels have the capacity for 323 additional “infill” dwelling units.	563	58
Exception Land (Neighborhood Commercial)	Study Area 1 (Northwest): Relatively flat site located at Seven Mile and Chenoweth Roads. Needed for neighborhood commercial center. Within NSA but limited visibility from I-84 and SR 14.	21	18
Ponds	Study Area 1 (Northwest)	2	0

Comprehensive Plan Land Use Designation	Description and Purpose	Gross Acres	Buildable Acres
Roads	Study Areas 1-4 (Northwest, Southwest, South and East)	20	0
Subtotal	Committed and Developed Areas: BPA, Quarry, Golf Course, and Rural Exception Areas	1,767	76
Percentages	Of Total URA Expansion Area	43%	2%
Resource Land (Residential)	Study Area 1 (Northwest): Class III-VIII agricultural soils used primarily for grazing and very limited wheat production, with NSA boundary. This land is needed to meet most of the City's long-term residential and public / semi-public land needs. Partially obscured by quarry and ridgelines; partially visible from I-84 and SR 14. CLUP policies mitigate scenic, cultural, historical and environmental impacts.	850	699
Resource Land (Regional Commercial)	Study Area 1 (Northwest): Class VI and VIII agricultural soils; not currently in agricultural use. Located at I-84, US 30 and Chenoweth Road. Site uniquely meets specific site requirements for regional shopping center. Within NSA and highly visible from I-84 and SR 14.	47	44
Resource Land (Business Park)	Study Area 3 (South): Class III and VII agricultural soils; currently a productive and well-maintained cherry orchard. Located along 15 Mile Road, a future arterial street serving URA. Relatively flat site with arterial street access needed for small-scale light industrial and service uses and to help fund needed improvements to 15 Mile Road. Within NSA but limited visibility from I-84 and SR 14.	54	33
Resource Land (Elementary School)	Study Area 2 (Southwest): Class III and VII agricultural soils and zoned A-40, but fully developed with an existing K-9 school.	10	0
Resource Land (Community College Expansion)	Study Area 3 (South): Class IV agricultural soils; not currently in farm use. Provides 30 acres of relatively flat land suitable for expansion of the Columbia Gorge Community College, as recommended in the recently approved facilities master plan.	48	30
Resource Land (Residential)	Study Area 4 (East): Class III and VII agricultural soils; currently in farm use. Located along 15 Mile Road, a future arterial street serving URA. Development of this area will help fund needed improvements to 15 Mile Road.	806	523
Resource Land (Employment)	Study Area 4 (East): Class III and VII agricultural soils; currently in farm use. Located on a bench above Petersburg School and served by 15 Mile Road, a future arterial street serving URA.	506	447
Subtotal	Agricultural Land (Excludes BPA & Quarry)	2,321	1,776
Percentages	Of Total UGB Expansion Area	57%	43%
Total	2007 URA Expansion Area	4,088	1,852

Source: Winterbrook Planning and City of The Dalles

(1) Efficient accommodation of identified land needs

Part I of this report describes the two key ways that The Dalles has increased overall land use efficiency within the existing UGB and the proposed URA:

1. As a result of new measures to increase residential land use efficiency, residential densities in The Dalles are projected to increase by 12 percent – from “actual development” at 5.0 dwellings per gross buildable acre to planned densities of 5.6 dwellings per gross buildable acre (or 7.0 dwelling units per net buildable acre, after accounting for street rights-of-way). Residential efficiency measures have reduced the need for residential land by 150 gross buildable acres.
2. Redevelopment of the Northwest Aluminum site will meet most of the City’s industrial needs for the next 20 years. As a result, the need for industrial land over the next 20 years has been reduced by an additional 250 suitable acres. The only area adjacent to the UGB that comes close to meeting industrial site suitability criteria (flat land close to Interstate 84) is Hidden Valley in Study Area 1 (Northwest). Had the City expanded into Hidden Valley to meet industrial land needs, 20-year residential needs would have been met in the proposed Urban Reserve Area served by Seven Mile Road, rather than Hidden Valley.

The location of the URA maximizes land use efficiency by confining planned growth over the next 50 years to relatively flat areas adjacent to the existing UGB, I-84 and the Columbia River that can be developed at urban densities. The proposed Northwest URA expansion area provides suitable sites in proximity to existing transportation corridors and basic employment for needed schools, parks, a mixed used neighborhood centers and a large shopping center.

The curvilinear configuration of the existing UGB and proposed URA also allows for the potential of public transit served by arterial streets that parallel I-84 (e.g., 10th Street, 2nd Street, Seven Mile Road and 15 Mile Road), which could facilitate transit-oriented development in the future.

Although rural residential areas adjacent to the UGB are anticipated to develop somewhat less efficiently than large farm parcels, the Urban Reserve Rule places higher priority on adjacent rural residential land for inclusion within a UGB. At 1.5 miles from the existing UGB, Chenoweth Creek Road passes through agricultural land zoned A-1 (160) before encountering another large rural exception area. The City excluded non-adjacent, rural residential land within the Chenoweth Valley from the URA because it would result in an extremely inefficient urban growth form. The Chenoweth Valley narrows as it extends further to the east. The relatively small parcel size, combined with relatively little buildable land per parcel and distance from the existing UGB, means that this rural residential area would be extremely expensive to serve.

(2) Orderly and economic provision of public facilities and services

The Dalles was originally sited on a bench on a bend in the Columbia River. The bench is confined by steep slopes and rimrock. Stream corridors and associated valleys connect the town site with the upland plateau to the south, east and west.

Two relatively flat areas remain near the Columbia River. The eastern area is owned by the Bonneville Power Administration and is not available for urban development. The northwestern Bench (Hidden Valley) is, for the most part, privately owned and is available for urban development. A third, privately owned, higher elevation bench is located east of the BPA Starr Complex in a valley drained by 15 Mile Creek. The only other developable area is located south of the existing UGB. This area is has predominately high value, irrigated agricultural soils, and is used for cherry orchards.

The Dalles Public Works Department has identified major projects necessary to serve the two large areas that can feasibly meet the need for urban population and employment growth over the next 50 years. These two areas are proposed for inclusion within The Dalles 2026 UGB or URA and are located in Study Areas 1 and 4.

The City has recently completed updates to the Transportation Master Plan, Water Master Plan, and Sewer Master Plan, and is currently doing a Storm Water Master Plan. These plans cover the existing UGB and demonstrate that the UGB can be serviced, or serviced with the projects identified in each plan. Updates to all of these master plans are part of the Phase II planning work that is planned to be done following approval of the new UGB / NSA Urban Area and URA.

Throughout the current phase of the UGB/URA planning work, the Phase I planning issues related to the provision of streets and utilities in the preliminary UGB and URA have been reviewed and analyzed. The Public Works Department has determined that the preliminary UGB/ Urban Area and the URA can be served by connections to the existing road pattern and that the provision of utilities would generally follow the new road system.

However, the Public Works Department did not identify projects necessary to serve areas that cannot feasibly be included with the UGB or URA for topographical or institutional reasons. For example, the City did not identify projects in across the Columbia River in Washington State, because the City does not and cannot have jurisdiction across the state line. Nor did the City identify projects for cherry orchards on high value farm land in Study Areas 2 and 3. Aside from strong local opposition from cherry growers, inclusion of such land would be inconsistent with ORS 197.298 priorities for urban growth boundary expansion.

Study Area 1 (Northwest)

The bench on The Dalles' bend in the Columbia River extends to the north to include the Hidden Valley area in the southeastern portion of Study Area 1. Chenoweth, Seven Mile and Hidden Creek Valleys connect with the Columbia River bench in Study Area 1. Together, these areas provide the only developable land within this study area. These areas are adjacent to the UGB and can be provided, efficiently, with urban services. Some of this land is developed at urban densities and is served by the Chenoweth Water District.

Exception areas within 1.5 miles of the existing UGB, and about two-thirds of the buildable land area drained by Chenoweth and Hidden Creeks, are within the proposed URA. Buildable land in the Seven Mile Creek Valley is within the proposed URA. The Public Works Department has

identified sewer, water and transportation projects necessary to serve the proposed URA in Study Area 1.

The western two-thirds of Study Area 1 (Northwest) is located on a plateau above the 660-foot water service elevation level. In most areas, this plateau is defined by steep slopes and ravines carved by the Mazama floods and creeks draining the upland plateau. The northern portion of Study Area 1 is located within the Columbia Gorge NSA, and includes several “Special Management Areas.” For these reasons, the Public Works Department did not identify sewer, water and transportation projects to serve land outside the URA.

As noted above, the City excluded non-adjacent, rural residential land within the Chenoweth Valley from the URA because it would result in an extremely inefficient urban growth form. The Chenoweth Valley narrows as it extends further to the east. The relatively small parcel sizes in this area, combined with relatively little buildable land per parcel and distance from the existing UGB, means that this rural residential area would be extremely expensive to serve.

Public Facilities Project Descriptions – Study Area 1 (Northwest)

The following describes how roads and utilities can be extended, feasibly, into the URA in Study Area 1. These are general findings. The details regarding project costs, locations, and sizes will need to be specifically determined in the Phase II planning work, as outlined in the planning grant document developed with the help of DLDC and ODOT staff.

Sanitary Sewer

- 20-year:
 - Capacity increases will be necessary for the two, 4-inch pressure lines running along the historic highway.
 - Capacity increases will be necessary for the main trunk line running from the pressure lines to the treatment plant.
 - Lower portion along Chenoweth Creek needs to tie into the force main along the historic highway.
 - Murray’s Addition will require the 8–inch trunk line along Chenoweth Loop Road to be increased.
 - The sewer treatment plant will need additional capacity to serve the UGB. The land for that expansion already exists and is reserved for that purpose.
 - All of the UGB expansion area can be served with a gravity system.

- 50-year: This area can be served using gravity feed line.

Water Service

- 20-year:
 - Potential new well needed with storage reservoir, which would require new groundwater rights and may need treatment because of mineral content.

- Chenoweth Water PUD has some capacity to serve a portion of the expanded UGB and is currently serving a portion of that area. Their capacity is somewhat limited.
 - The City's water master plan calls for improvements that would increase capacity to 12 MGD together with groundwater, service could be provided. The City has 8.4 MGD perfected ground water rights and 25.8 MGD unperfected water rights to use in both ground water and Columbia River. The City currently uses 8 to 9 MGD in the summer high-use season. This serves about 12,000 people and the industrial and commercial areas.
 - Transmission lines will need to follow major road rights-of-way.
 - Nearest water is at the Port land served by a 12 inch transmission line. A 16-inch looped system is needed on the Port and Northwest Aluminum property for industrial (re)development. This could then service a portion of the UGB.
- 50-year: A new reservoir and pump station will be needed to provide volume and pressure to this area.

Transportation

- 20-year: Existing major street locations are shown on the Map 6: Generalized Comprehensive Plan. These collector streets would connect into the Historic Highway at two locations and to Chenoweth Road at two locations.
- 50-year: New streets in this area would connect to the major streets located in the UGB and to Seven Mile Road. Once this land has been added to the UGB, a connection would need to be made from Seven Mile Road to Hidden Valley.

Storm Drainage

- 20-year and 50-year: A separate system from the City's current system needs to be developed that would discharge into Chenoweth Creek.
 - Some treatment may be needed prior to discharge to meet Federal standards. Major trunk line sizes would need to be determined.
 - All lines would follow the street system.

Summary: On a relative basis, the cost for providing transportation, sewer, water and storm drainage service to land below the 660-foot water service elevation level in Study Area 1 are moderate. Moderate costs are based on the need to construct new arterial and collector streets to serve the URA in this study area. However, moderate costs are off-set by the relatively low value grazing land in Study Area 1.

Study Areas 2 and 3 (Southwest and South):

The northern portion of Study Area 2 is located above the 660 water service elevation and is separated from the existing UGB by the Chenoweth Table (which is protected by a Nature Conservancy conservation easement) or high value agricultural land.

In contrast, the southeastern portion of Study Area 2 and the northern portion of Study Area 3 are within the Mill Creek drainage basin, are adjacent to the UGB, are relatively flat, are below the 660-foot water service elevation, and can be served by gravity flow sewer. For these reasons, the area along Mill Creek Road can be efficiently provided with urban services. However, this irrigated orchard area is the lowest priority for inclusion within The Dalles URA. Therefore, the Public Works Department has not determined specific projects necessary to serve agricultural land in Study Areas 2 and 3.

The City has included a few small agriculturally-zoned parcels that are adjacent to the UGB. As discussed above, these small parcels typically have relatively poor agricultural soils, are developed with a house, are needed for expansion of a specific use, or are bordered on two sides by rural residential exception areas. These small agricultural parcels are adjacent to the UGB, are located below the 660-foot water service elevation, can be served with gravity flow sewer, and have access from existing roads.

These small areas, along with adjacent exception areas, can be provided with urban services efficiently. However, no major public works projects are needed to serve areas added to the UGB in Study Areas 2 and 3. Therefore, the Public Works Department did not identify specific projects necessary to serve these relatively small and disparate areas.

Summary: On a relative basis, the cost for providing transportation, sewer, water and storm drainage service to land below the 660-foot water service elevation level in Study Areas 2 and 3 are low. Relatively low costs are based on the proximity of land within the proposed URA to existing urban services. However, the areas that are least costly to serve have high value, irrigated cherry orchards.

Study Area 4 (East)

The BPA Starr Complex abuts the UGB to the east. Generally unbuildable land within the Columbia Gorge National Scenic Area (NSA) lies further to the north and east along the Columbia River. The only growth alternative to the east is the bench above 15-Mile Creek. This relatively flat bench area is accessed primarily from 15-Mile Creek. This bench area is proposed for the URA.

City Public Works has identified projects and considered the feasibility of providing sanitary sewer, water and transportation services to the bench area served by 15 Mile Road.

Public Facilities Project Descriptions – Study Area 4 (East)

The following describes how roads and utilities can be extended, feasibly, into the URA in Study Area 4. These are general findings. The details regarding project costs, locations, and sizes will need to be specifically determined in the Phase II planning work, as outlined in the planning grant document developed with the help of DLDC and ODOT staff.

Sanitary Sewer

- 20-year: Sewer trunk line placed within right-of-way of 15 Mile Road with lift station to get it to the 2nd Street existing sewer trunk location.
- 50-year: Existing 2nd Street sewer trunk line will require capacity increase with build out of the 50-year URA. The sewer treatment plant will need additional capacity to serve the URA. It may be more feasible to construct a dedicated eastside treatment plant with discharge into 15 Mile Creek. The land for that expansion already exists and is reserved for that purpose.

Water Service

- 20-year: Existing reservoir and supply source is sufficient to serve the 20-year needs. The far northeast may need a booster system. A new transmission line needs to be installed from the reservoir in the Columbia View Heights along 15 Mile Road.
- 50-year: A new well source potentially needs to be developed.
 - The City has well water and Columbia River water rights sufficient to supply this area with water.
 - Additional treatment facilities will be needed for the water supply.
 - One additional reservoir and pump station will be needed for supply and pressure.

Transportation

- 20-year: Existing major street locations are shown on the planning map. These are Lower Eight-Mile Road and Columbia View Drive. Right-of-way widths are adequate to serve the UGB expansion area.
- 50-year: Lower Eight-Mile Road and Columbia View Drive would serve the proposed URA. Additional major streets would extend into the URA. Additional right-of-way width may be necessary to serve development planned for the URA.

Storm Drainage

- 20-year and 50-year: A separate system from the City's current system needs to be developed that would discharge into 15 Mile Creek.
 - Some treatment may be needed prior to discharge to meet Federal standards. Major trunk line sizes would need to be determined.
 - All lines would follow the street system.

Summary: On a relative basis, the cost for providing transportation, sewer, water and storm drainage service to land below the 660-foot water service elevation level in Study Area 1 are high. High costs are based on distance from the existing UGB, and the fact that abutting BPA property will not benefit from or pay for extension of urban services.

However, the high cost of extending services in the short-term are necessary to provide services to the bulk of the URA and to meet post 2026 population, employment and livability growth needs outside the Columbia River Gorge National Scenic Area.

(3) Comparative economic, social, environmental and energy (ESEE) consequences

To address locational factor (3), the City compared the economic, social, environmental and energy consequences of URA expansion into each of the four study areas shown on Map 2. The City's analysis of ESEE consequences also considered the social and environmental impacts that related to The Dalles' location within the Columbia River Gorge National Scenic Area (NSA).

Economic consequences considered below include impacts on The Dalles area employment opportunities, Wasco County's agricultural economy, and cost of providing urban public facilities.

Comparative Economic Consequences – Employment Opportunities and Agriculture

Part I of this report identifies siting requirements for community commercial shopping centers, large-site industrial users, and public / semi-public (park and school) development. The Dalles' economic future depends on its ability to offer suitable sites to future industrial and commercial employers. Providing suitable sites for educational and recreational facilities is essential to the City's ability to maintain a high quality of life for The Dalles' work force, and thereby attract and retain managers and qualified employees. These land-extensive uses require large sites with relatively flat land and access to a major street.

Although most 20-year industrial siting needs can be met within the existing UGB, there are unmet needs for a business park site, a regional commercial site, and a neighborhood commercial site. Because there are unmet needs for such sites within the existing UGB, and rural exception areas do not meet parcel size or topographical requirements, the loss of some agricultural land is necessary to achieve The Dalles' economic development and livability objectives.

Beyond the immediate 20-year planning period, there is ongoing need for large, flat sites that can only be met on the bench to the east of the BPA Starr Complex, located outside the NSA.

For reasons stated below, suitable sites in Study Area 1 (Northwest), which has relatively low value, non-irrigated grazing land, has the least impact on Wasco County's agricultural economy. Although Study Area 4 (East) has high value, non-irrigated soils that are devoted primarily to wheat production, this land is needed for Year 2026-56 employment sites.

This analysis assumes that there is a relationship between agricultural soil class and the potential impact on the agricultural economy. As shown on Map 3, relatively flat agricultural land is found in all four study areas. However, on an acre-per-acre basis, cherry orchards and associated packing plants provide the greatest economic benefit to The Dalles' economy, followed by wheat production, and then by grazing activities.

- The lowest value agricultural soils are found in Study Area 1 (Northwest), which has predominantly non-irrigated Class VI-VII soils adjacent to the existing UGB and is used for grazing. Study Area 1 has large, flat sites with access to I-84 and to planned arterial streets (Chenoweth Creek Road) that are suitable for employment uses. Study Area 1 also has large, flat sites with access to major streets that is suitable for park and school use. Conversion of agricultural land to urban employment uses will have a relatively low impact on the agricultural economy when compared with positive economic impacts resulting from increased business and employment opportunities.
- In contrast, agricultural land adjacent to the existing UGB in Study Areas 2 (Southwest) and 3 (South) is comprised primarily of irrigated Class II-IV soils. This area has substantial public (irrigation district) and private (land owner) investments in cherry production. Cooperatively owned cherry packing and shipping facilities contribute substantially to The Dalles' economy. Although these two study areas also have large, flat sites that could meet the needs for employment, parks and schools, inclusion of large tracts of irrigated orchard land within the URA would have serious and adverse consequences for Wasco County's agricultural economy.
- Study Area 4 (East) has some irrigated orchard land along 15 Mile Road and large areas of non-irrigated wheat land (predominantly Class II-IV soils) located on a higher-elevation bench. Except for land along 15 Mile Road, Study Area 4 has no land adjacent to the UGB that is suitable for employment or public / semi-public land uses. The upland bench further to the east is in wheat production, and is suitable for meeting employment, park and school land needs in the Urban Reserve Area.

Because large, flat sites adjacent to the UGB are needed to meet employment and institutional large-site land needs, The Dalles must include some agricultural land within the URA. Land adjacent to the existing UGB in Study Area 1 has large, suitable employment and public / semi-public sites that have predominantly Class VI-VII soils. Inclusion of relatively flat land in Study Area 1 will have the least adverse impact on Wasco County's agricultural economy, while meeting the site suitability requirements for a regional shopping center, a neighborhood commercial center, a community park and schools identified Part I of this report.

The Dalles excluded areas with Class II-IV agricultural soils in Study Areas 2 and 3 due primarily to adverse economic impacts to Wasco County's cherry production, packing and distribution economy. Large parcels with Class II-IV soils in the Southwest and South Study Areas are not included within the URA.

The only large parcels with irrigated cherry orchards that are proposed for inclusion within the URA are located along 15 Mile Road in Study Area 4 (East). Two parcels, with 33 suitable acres, are needed for a planned business park. Development of the business park will provide for employment during the 20-year planning period. As noted in Part III of this report, development along 15 Mile Road will help pay for street and utility improvements to this arterial street. Public and private investments to reconstruct 15 Mile Road to urban street standards are needed that will provide access and construct utilities required to serve future employment and public / semi-public sites located within the Urban Reserve Area. Therefore, on balance, the economic

consequences of converting a relatively small area of irrigated cherry orchard land for business park use in Study Area 4 are positive.

There are negative economic consequences associated with conversion of non-irrigated but productive wheat land to use over time. However, land located on a bench east of the UGB and the BPS Starr Complex is uniquely suited to meeting long-term employment needs. Therefore, the loss in economic value resulting from conversion of wheat land to employment uses is off-set by increased employment opportunities.

Comparative Economic Consequences for Extension of Public Facilities

Public facilities factors are addressed under UGB Locational Factor (2) above. While the cost of extending public facilities are an important factor for The Dalles, the City's and County's primary economic concern is to protect existing cherry orchards south of the existing UGB.

Briefly, land adjacent to the UGB in Study Areas 2 and 3 – below the 660-foot elevation level – is the least expensive to serve with sanitary sewer, water, storm drainage and transportation services. Existing streets, sanitary sewer, water and storm drainage facilities can be extended from mostly developed areas within the UGB to serve relatively large and flat parcels adjacent to the UGB. However, ORS 197.298(1) makes irrigated Class II-IV soils the lowest priority for UGB expansion. Therefore, the City included only rural residential exception areas, small developed agricultural parcels, and agricultural parcels with relatively low value agricultural soils within the URA.

Land adjacent to the existing UGB in Study Area 1 (Northwest) is somewhat more expensive to serve, primarily because new collector streets must be extended to serve the Hidden Valley area. Because agricultural soils in this area are generally less productive, the City decided to absorb the relatively higher costs for serving this area to protect cherry orchards to the southeast and southwest of the UGB.

Land in Study Area 4 (East) is most expensive to serve, because federal land cannot be expected to pay for extension of sanitary sewer, water and storm drainage facilities to serve development along 15 Mile Road. However, the City must make public investments to property along 15 Mile Road in order to access and provide urban services to suitable employment and public / semi-public sites in Study Area 4.

In conclusion, while public facilities costs are an important consideration, they do not outweigh economic costs that would result from the loss of public and private investments in irrigated orchard land southwest and southeast of the existing UGB.

Comparative Social Consequences

Social consequences include the ability to meet affordable housing objectives, create complete neighborhoods, and provide for supporting park and school needs.

Columbia River Gorge National Scenic Area

Social consequences also include social values identified in the Columbia Gorge National Scenic Area Act (NSAA) – particularly scenic views and recreational opportunities that are now

protected by the NSAA. However, because the existing UGB is completely surrounded by land within the NSA boundary, and additional land is needed to for urban housing, parks and schools, there will be some adverse impacts to scenic and recreational opportunities described in the NSAA. The City's proposed URA minimizes adverse impacts to scenic views and recreational opportunities by the following locational decisions and policies.

- Minimizing the need for urban land by increasing residential densities and relying on redevelopment of the existing Northwest Aluminum site for meeting most of the City's future industrial needs.
- Avoiding UGB expansion and urban development in highly visible gateway areas:
 - Along Interstate 84 in Study Area 4 (East);
 - East of the Historic Columbia River Highway in Study Area 1 (Northwest);
 - In the US 197 Canyon (Study Area 3); and
 - In the Seven Mile Creek Canyon (Study Area 1).
- Avoiding UGB expansion into any designated Special Management Area (see Map 5).
- Avoiding UGB expansion into large scenic orchard parcels in Study Areas 2 (Southwest) and 3 (South).
- Within the proposed URA:
 - Protecting existing ridgelines facing the historic Columbia River Highway and I-84 in Study Area 1 from future urban development;
 - Encouraging urban development of existing rural residential exception areas, thus reducing the need for agricultural lands within the UGB;
 - Protecting highly visible land with slopes of 20 percent or greater in Study Areas 1 and 4 from urban development;
 - Protecting the existing golf course and its historic club house from inappropriate alteration or conversion to other urban uses;
 - Protecting Chenoweth, Seven Mile, Hidden and 15 Mile Creeks and their scenic riparian corridors and canyons from future urban development; and
 - Encouraging passive recreational uses and trails within protected riparian corridors and ridgelines to improve recreational access to scenic areas.

Social consequences associated with protection of scenic views and recreational opportunities are addressed further in Part III of this report.

Comparative Social Consequences: Housing, Complete Neighborhoods, Schools & Parks

Study Areas 1 (Northwest), 2 (Southwest), 3 (South) and 4 (East) all provide relatively flat and buildable land – near the UGB – that are capable of meeting identified neighborhood commercial, residential and public / semi-public needs (park and school facilities). Relatively flat, large and undeveloped sites in these study areas also are well-suited to efficient and effective master planning. Because each of these study areas have access to existing and planned arterial and collector streets, and can be provided with sanitary sewer, water and storm drainage

facilities at reasonable costs, land adjacent to the UGB in Study Areas 1, 2, 3 and 4 would also provide relatively affordable housing and school opportunities.

However, the positive social consequences associated with inclusion of land in orchard production in Study Areas 2 and 3 are outweighed by the negative economic costs of bringing converting highly-productive orchard land into the URA. The social consequences of bringing in small, developed agricultural parcels in Study Areas 2 and 3 are also positive, because existing homes and businesses in these areas will have access to urban services upon annexation to the City. Relatively low value agricultural land is also provided for expansion of the Columbia Gorge Community College, which has provides immense social value to the entire region.

Portions of Study Areas 1 and 5, because it includes little irrigated orchard land and otherwise meets identified needs for residential, park and school development, is proposed for inclusion within the URA. For example, Study Areas 1 and 5 provide exceptional opportunities for a “complete” and compact master planned community:

- In Study Area 1, the City has identified a site at the intersection of Chenoweth Creek and Seven Mile Creek Roads for siting a mixed use, neighborhood commercial center. A site for a second mixed use center has been identified in Study Area 4, near the Petersburg School.
- Several parcels in Study Areas 1 and r meet site suitability requirements for community parks and public schools, and therefore will directly meet a portion of the City’s long-term public / semi-public land need.
- The protected Chenoweth Creek and Hidden Creek riparian corridors (Study Area 1) and 15 Mile Creek riparian corridor (Study Area 2), combined with the protected scenic vistas and ridgelines within and outside the proposed URA, create an exceptional setting for compact yet livable residential communities.
- The varied topography in Study Area 1, including Hidden Creek and protected ridgelines, will also provide passive recreational opportunities for existing and future area residents and visitors.
- The existing golf course, plus its planned expansion areas, will increase recreational and open space opportunities for area residents. Because land near golf courses and protected streams typically has higher value for residential buyers, Study Area 1 will also provide needed higher end housing opportunities.

The social consequences of including land along 15 Mile Road within the preliminary 2026 UGB are mixed. On the one hand, this large undeveloped area provides an attractive scenic gateway to the community, with irrigated orchard lands on the gently sloping hillside next to the BPA Starr Complex, and limited rural residential development in a small rural residential exception area above 15 Mile Creek. On the other hand, this area provides needed employment land for the community in the form of a business park. By providing a transportation and utility linkage to the upland bench above 15 Mile Creek, the scenic impacts to the eastern portion of the Columbia

Gorge NSA will be highly positive, because future urban development can occur almost completely outside the NSA boundary.

Almost all adjacent rural residential exception areas within Study Areas 1-4 are included within the proposed URA. Thus, existing and future residents of these rural residential areas will have access to community parks and schools in the short-term, as well as urban sewer, water, police and fire services upon annexation to the City. On the other hand, as urban services are requested and become available to property owners in existing rural residential areas, urban densities will be permitted, thus changing the “rural” quality of life. Despite the likelihood of increased land values, many rural residents who voiced their opinions at the Planning Commission public hearing view the transition from rural to urban densities as having negative social consequences.

In conclusion, Study Areas 1 and 4 provide the only reasonable opportunity for The Dalles to create complete neighborhoods – without scarifying the highest value farmland – irrigated cherry orchards. Study Areas 1, like all other areas adjacent to the existing UGB, is located within the Columbia Gorge NSA. However, unlike other rural areas outside The Dalles, buildable land within Study Area 1 has relatively low value agricultural soils. Study Area 1 also meets residential, commercial, and public / semi-public land needs identified in Part 1 of this report by providing:

- Large tracts of buildable land that can accommodate a variety of housing types and densities;
- Suitable sites for a mixed use community center, a community park and schools;
- Protected ridgelines and riparian corridors that define compact urban neighborhoods.

In contrast, most of Study Area 4 is located outside the NSA boundary. Thus, the social consequences of including buildable land adjacent to the UGB in Study Areas 1 and 4 are largely positive.

Environmental Consequences

For comparative analysis, the City considered the ESEE consequences of including each of the four study areas abutting the existing UGB. Environmental consequences address potential impacts on inventoried natural features (riparian corridors, wetlands and native plant communities) both within and adjacent to UGB, as shown on Map 5, the Composite Buildable Lands Inventory.

To address Statewide Planning Goal 5 (Natural Resources), Goal 7 (Natural Hazards) and Goal 14 Boundary Location Factor 3 (comparative environmental consequences), wetlands, riparian corridors, native plant communities (identified by Columbia Gorge Commission staff in Study Area 1), floodplains and steep slopes were inventoried within each study area. Land with the above constraints is not considered to be suitable for meeting housing, park, school or employment needs.

Certain areas within environmental constraints were eliminated from URA consideration early in the process:

- **Study Area 1:**
 - All NSA Special Management Areas;
 - Most General Management Areas within the NSA boundary;
 - Wetlands on the east side of Interstate 84;
 - Land north of Hidden Valley with slopes of 20 percent or greater;
 - The Seven Mile Creek canyon southwest of Seven Mile Road;
 - The Chenoweth Creek Canyon southeast of Murray's Addition and Chenoweth Creek Road;

- **Study Area 2:**
 - Almost all General Management Areas, including irrigated orchard land, within the NSA boundary;
 - The ridgeline with slopes of 25% or greater southwest of the existing UGB;
 - The Mill Creek canyon southwest of the Mill Creek Road rural residential exception area;
 - The Chenoweth Table area protected by a conservation easement; and
 - The Chenoweth Creek Canyon below the Chenoweth Table.

- **Study Area 3:**
 - Almost all General Management Areas, including irrigated orchard land, within the NSA boundary;
 - The Mill Creek canyon southwest of the Mill Creek Road rural residential exception area;
 - The ridgeline with slopes of 25% or greater southeast of the existing UGB; and
 - The Highway 97 canyon area at the entrance to the UGB.

- **Study Area 4:**
 - Almost all General Management Areas, including the scenic I-84 ridgeline, within the NSA boundary; and
 - The 15 Mile Creek canyon northeast of the 15 Mile Road and the rural residential exception area.

In all cases, environmental impacts from urban development will be minimized because the City is committed to providing vegetative buffers along Seven Mile, Chenoweth, Hidden, Mill, and 15 Mile Creeks and associated riparian corridors. Except for Hidden Lakes, which are protected by CLUP policy, there are no inventoried wetlands that are not associated with a protected riparian corridor within the URA expansion area. No additional floodplain land outside of protected riparian corridors has been included within the URA expansion area.

Rare plant communities are located in all four study areas. However, Study Area 1 is the only large area with relatively undisturbed hillsides with rare plant communities that is proposed for inclusion within the URA. Gorge Commission staff have identified several rare plant communities within Study Area 1 (Northwest). Since rare plants typically survive in areas that have not been disturbed by grazing or farming activities, which typically occur in flatter areas, restricting development to slopes of 20 percent or less will have the intended consequence of protecting rare plant communities identified in the NSA inventories. CLUP policy commits the

City to identifying and protecting rare plant communities prior to rezoning and through the land development review process.

In conclusion, the URA was carefully drawn to exclude inventoried wetlands, floodplains, steep canyons, unbuildable ridgelines and hillside areas, irrigated cherry orchards, and NSA Special Management Areas. Where wetlands, riparian corridors, ridgelines, steep slopes and rare plant communities are included within the URA, they are protected by plan policies and by limiting development within Study Area 1 to slopes of 20% or less. Overall, the proposed URA has positive environmental consequences due to its location and strong policy measures to restrict development within identified natural resource and hazard areas.

Comparative Energy Consequences

These findings consider the implications of alternative growth patterns on energy conservation. The Dalles CLUP includes a new Goal 13 Energy Conservation chapter that address how energy consumption can be reduced within the preliminary UGB.

Due to geographical constraints, development in The Dalles has followed the Columbia River bench in curvilinear urban form. The existing UGB is approximately 14 miles long, and extends from 1 to 1.5 miles inland from the river – until it reaches rimrock or irrigated orchard land. Although expansion to high value farmland on the southern plateau would result in a more compact, energy-efficient urban growth form, this option is prohibited by the Urban Reserve Rule and ORS 197.298(1) Priorities for urban growth boundary expansion. Therefore, the City has no choice but to continue its curvilinear growth pattern by expanding to the north into Study Area 1, and ultimately to the east, to the relatively buildable bench area in Study Area 4.

However, as noted in The Dalles CLUP, the City's curvilinear urban form does offer some energy conservation opportunities to conserve energy:

- By concentrating employment and housing along major streets (Tenth Street, Second and Third Streets, 15 Mile and Chenoweth Creek Roads, and I-84) The Dalles transit service becomes feasible over time. A functional public transit system is feasible in the intermediate term (10-20 years), and would have substantial energy conservation benefits.
- Because longer-term growth in The Dalles is severely limited geography, in the very long term the City will need to consider further intensification of land use along linear transit corridors, which will have longer-term energy conservation benefits.
- The proposed URA provides large tracts of relatively flat land that can meet the needs of complete communities – with a mixed-use neighborhood center, a variety of housing types and densities, community parks and open space, and neighborhood schools. This approach conserves energy by reducing vehicle trip lengths and encouraging alternative modes of transportation.

Solar orientation is also an important long-term consideration. Although buildable areas in Study Areas 3 and 4 offer excellent solar access, with a few small exceptions these areas are

committed to cherry orchards. Proposed URA expansion areas in Study Area 1 provide reasonable solar access, although ridgelines to the south and west will provide considerable shading, especially in the winter. Proposed URA expansion areas in Study Area 4 provide better solar access, because development is proposed on an upper bench that is less shaded from ridgelines to the south and west.

Finally, the City considered energy costs related to the provision of public facilities as follows:

- Gravity flow sanitary sewer can serve the entire URA expansion area, thus eliminating energy costs for new pump stations.
- All land within the preliminary UGB is below the 660-foot water serve elevation, the eliminating the need for to pump water to new development areas.
- Existing county roads (Chenoweth Creek Road, Seven Mile Road, Mill Creek Road and 15 Mile Road) will serve as urban arterial and/or collector streets, thus minimizing the need for new street construction to serve developing urban areas.

ESEE Summary

The City and County carefully considered economic, social, environmental and energy consequences of expanding the URA to each of four study areas. In summary:

- The need for large sites has been met for the most part on predominantly lower value grazing land where necessary, rather than higher value, irrigated orchard land – with positive urban employment benefits with minimum adverse impacts to Wasco County’s agricultural economy.
- The need for residential and public / semi-public land has been met first in adjacent rural residential areas, and second in predominantly lower value grazing land – with positive social consequences for existing and future community residents.
- The URA has been drawn to minimize scenic and environmental impacts of UGB expansion within the Columbia River Gorge NSA by:
 - increasing urban residential densities;
 - relying on redevelopment of the Northwest Aluminum site to meet long-term industrial needs; and
 - Prohibiting urban development on highly visible and sensitive lands within Study Areas 1 and 4 (a) to slopes of 20 percent or less and (b) within protected riparian corridors.
- While avoidance of irrigated orchard land in Study Areas 2 and 3 continues a curvilinear urban growth form, this form enhances the feasibility of public transit in the intermediate term, with attendant energy conservation benefits.

(4) Compatibility of the proposed urban uses with nearby agricultural activities occurring on farm land outside the UGB.

As shown on Map 3, the URA was drawn carefully to minimize impacts on existing agricultural activities. In almost all cases, the proposed URA is defined by (a) existing development, (b) a natural feature, and/or (c) an artificial feature such as a road that provides a buffer between planned urban development and farming activities.

Study Area 1 (Northwest)

Farming activity in the proposed Study Area 1 URA is limited to grazing, due to generally poor agricultural soils and the lack of irrigation.

- The northern URA boundary separates future urban development from adjacent A-1 (160) grazing land by:
 - The 20 percent slope break (at the base of the steep, rocky hillside with Class VIII agricultural soils that continue northward beyond the UGB); and
 - An existing developed golf course.
- The western URA separates future urban development from adjacent A-1 (160) grazing land by:
 - The 20 percent slope break that separates the URA boundary from upland grazing areas;
 - A rural residential exception area; and
 - Seven Mile Road and the Seven Mile Creek Canyon.
- The southern URA separates future urban development from adjacent A-1 (40) agricultural land by:
 - A rural residential exception area; and
 - The Chenoweth Creek Canyon.
- The eastern URA separates future urban development from adjacent Public Recreational land by:
 - The Historic Columbia River Highway; and
 - An existing manufactured dwelling park.

Study Area 2 (Southwest)

Farming activities in the proposed Study Area 2 URA include wheat, cherry production and grazing.

- The northern boundary of Study Area 2 is the proposed URA and the Chenoweth Creek Canyon. There are no farming activities north of the proposed URA in Study Area 1.
- The southwestern URA separates future urban development from adjacent agricultural land by:
 - A mile long ridgeline to the east;
 - Several rural residential exception areas;

- Several small, interspersed and mostly developed A-1 (40) parcels abutting the existing UGB or existing exception areas.

Infill development on these relatively small parcels continues existing patterns of development at the edge of the existing UGB and therefore will not create new adverse impacts to adjoining orchard land.

Study Area 3 (South)

Farming activities in the proposed Study Area 3 URA include cherry production and limited grazing.

- The southern URA boundary separates future urban development from adjacent agricultural land by:
 - A mile long ridgeline to the east;
 - Several rural residential exception areas;
 - Several small, interspersed and mostly developed A-1 (40) parcels abutting the existing UGB or existing exception areas.

Infill development on these relatively small parcels continues existing patterns of development at the edge of the existing UGB and therefore will not create new adverse impacts to adjoining orchard land.

- The south-eastern URA boundary is the existing BPA Starr Complex and is owned by the federal government.

Study Area 4 (East)

Farming activities outside the proposed Study Area 4 URA include grazing and wheat production.

- The northwestern URA boundary separates future urban development from A-1 (160) grazing land by:
 - A prominent ridgeline and substantial elevation differential; and
 - A rural residential exception area and 15 Mile Creek.
- The eastern and southern URA boundary separates future urban development from A-1 (160) wheat and grazing land by an elevation differential. Future URA expansion to the south and east is most like in this Study Area.

URA Location Conclusion

The City's growth is constrained by topographic features. The Dalles was originally sited on a bench on a bend in the Columbia River. The bench is confined by steep slopes and rimrock before reaching the fertile, irrigated plateau to the south and west. This plateau proved ideal for growing cherries – an industry that is highly valued in Wasco County and protected by Statewide Planning Goal 3 (Agricultural Lands). Less valuable grazing land is found to the north in Hidden Valley. The Bonneville Power Administration owns over a square mile of land to the east. Further to the East is non-irrigated wheat and grazing land that has a large, flat bench area.

When The Dalles established its first UGB in 1982, growth was confined by the Columbia River (to the north and west), BPA (to the east), and cherry orchards (to the south and west). In 1982, planned growth in The Dalles did not justify expansion into lower quality agricultural soils (grazing lands) up the Chenoweth Creek Valley and into Hidden Valley to the northwest.

In 1986, the United States Congress enacted the Columbia River Gorge National Scenic Area Act (NSAA), which established the bi-state Columbia River Gorge Commission. The NSAA, established the Columbia River Gorge National Scenic Area surrounding The Dalles UGB on all sides, but exempted most of the “urban area” within The Dalles UGB and the BPA Starr Complex from regulatory provisions of the act.⁸ However, a “minor amendment” to this “urban area” is required for needed expansion of The Dalles UGB.

For the above reasons, The Dalles faces extraordinary topographic and administrative constraints. To address these constraints, The Dalles has done an exceptional job of addressing the need and locational requirements of the Urban Reserve Area administrative rule, while directing urban growth outside the National Scenic Area wherever possible.

To ensure greater efficiency of land use (and thereby reduce the land area added to the existing UGB), The Dalles has taken the following measures:

- Planned residential densities have increased from 5.0⁹ to 5.6 dwelling units per gross buildable acre (or 7 units per net buildable acre).
- To accomplish this objective, the City has amended its residential zoning districts to allow automatic density transfer, a greater variety of housing types, and minimum densities.
- Rather than meeting large-site industrial needs in “green field” areas to the north, the City has relied on largely on redevelopment of the Northwest Aluminum site and on employment growth on the bench east of the BPA Star Complex and outside the NSA..

⁸ Due to apparent mapping errors, small areas at the edge of The Dalles UGB were not given urban exempt status, and therefore have been required to comply with NSAA scenic standards. This error is being corrected as part of the 2006-07 UGB amendment process.

⁹ Actual development densities observed in The Dalles from 2001-2005.

- The City has allocated only one new general commercial area to meet 50-year needs – a 60-acre site with direct access to Interstate 84. Other commercial needs are met in neighborhood centers, all but two of which is located within the existing UGB.
- The City established new goals, policies, and implementation measures with the adoption of the 1993 Comprehensive Land Use Plan update and the 1998 Land Use and Development Ordinance update. These Plan and LUDO updates were specifically directed to increase the efficiency of land use within the UGB.

To minimize impacts on Wasco County’s agricultural land base and on the National Scenic Area, The Dalles has made the following tough decisions regarding the direction of growth:

- With a few minor exceptions, the proposed URA excludes irrigated cherry orchards. Like all other areas abutting the UGB, these cherry orchards are within the NSAA, but they are the lowest priority for inclusion within an URA under ORS 197.298, Priorities for urban growth boundary expansion.
- Almost all near-by rural residential and commercial exception areas are included within the proposed URA, in large part because these areas are highest priority for inclusion within an URA under the Urban Reserve Area administrative rule. The Chenoweth Valley to the northwest, the 15-Mile Creek corridor to the east, and a few areas immediately south of the existing UGB to the south, fall into this category. Unfortunately, these exception areas also are within the NSA boundary.
- Most of the City’s Year 2056 residential land need is met by extending the URA to Hidden Valley to the north. Although Hidden Valley is also within the NSA, this area has relatively poor agricultural soils and lacks irrigation, and therefore is higher priority for inclusion within the URA than irrigated cherry orchards. Although this area is constrained by rocky steep slopes in some areas (the same reason it has poor soils), automatic density transfer provisions will ensure that this area can be efficiently developed at urban densities.
- The square mile plus BPA site is included within the URA because it lies between the exception area located along 15 Mile Creek and the existing UGB. It also separates the existing UGB from the proposed URA located *outside the NSA boundary* to the east.

Part III: URA Interim Development Policies and Agreements

This section addresses OAR 660-021-0040 requirements for managing land within the urban reserve area.

660-021-0040 Urban Reserve Area Planning and Zoning

(1) Until included in the urban growth boundary, lands in the urban reserve area shall continue to be planned and zoned for rural uses in accordance with the requirements of this section, but in a manner that ensures a range of opportunities for the orderly, economic and efficient provision of urban services when these lands are included in the urban growth boundary.

(2) Urban reserve area land use regulations shall ensure that development and land divisions in exception areas and nonresource lands will not hinder the efficient transition to urban land uses and the orderly and efficient provision of urban services. These measures shall be adopted by the time the urban reserve area is designated ...The measures may include:

(a) Prohibition on the creation of new parcels less than ten acres;

(b) Requirements for clustering as a condition of approval of new parcels;

(c) Requirements for preplatting of future lots or parcels;

(d) Requirements for written waivers of remonstrance against annexation to a provider of sewer, water or streets;

(e) Regulation of the siting of new development on existing lots for the purpose of ensuring the potential for future urban development and public facilities.

(3) For exception areas and nonresource land in urban reserve areas, land use regulations shall prohibit zone amendments allowing more intensive uses, including higher residential density, than permitted by acknowledged zoning in effect as of the date of establishment of the urban reserve area. Such regulations shall remain in effect until such time as the land is included in the urban growth boundary.

(4) Resource land that is included in urban reserve areas shall continue to be planned and zoned under the requirements of applicable Statewide Planning Goals.

(5) Urban reserve area agreements consistent with applicable comprehensive plans and meeting the requirements of OAR 660-021-0050 shall be adopted for urban reserve areas.

(6) Cities and counties are authorized to plan for the eventual provision of urban public facilities and services to urban reserve areas. However, this division is not intended to authorize urban levels of development or services in urban reserve areas prior to their inclusion in the urban growth boundary. This division is not intended to prevent any planning for, installation of, or connection to public facilities or services in urban reserve areas consistent with the statewide planning goals and with acknowledged comprehensive plans and land use regulations in effect on the applicable date of this division.

(7) A local government shall not prohibit the siting of a single family dwelling on a legal parcel pursuant to urban reserve planning requirements if the single family dwelling would otherwise have been allowed under law existing prior to the designation of the parcel as part of an urban reserve area.

1. Interim Development Policies

All rural residential exception areas proposed for inclusion within the URA will also be proposed for inclusion within the 2026 UGB. To the extent that rural exception areas are included within an acknowledged UGB, the provisions of the Urban Reserve administrative rule do not apply. However, because the City has asked Wasco County to move ahead with establishment of the URA in advance of UGB expansion, interim development standards may need to be adopted by the County.

Due to existing land use patterns and County / GMA (Gorge Management Act) zoning, interim development policies would serve little purpose.

- First, Murray's Addition, an existing rural residential subdivision, is almost completely built out and zoned GMA R1. Because remaining undeveloped lots in the subdivision typically are less than two acres, and almost all have single-family homes, there is virtually no potential for land divisions in this area that would result in new buildable lots or lots in Murray's Addition. The primary reason for including Murray's Addition into the URA is the likelihood that this development area will eventually need urban services.
- Second, as shown on Map 2, the remainder of the land with rural residential exception areas is zoned either GMA 5 or GMA 10. Almost all of these parcels have an existing house or are too small to be divided further under existing zoning. Therefore, interim development policies would do little to preclude future land divisions or residential development in these areas.

As the County and DLCD review this URA proposal, City staff anticipates working with County and DLCD staff to develop appropriate interim development standards rural residential exception areas included within the URA.

2. Urban Growth Management Agreement

The Urban Reserve Rule requires the City and County to amend the joint urban growth management agreement to address interim development in rural residential exception areas that are not included within the UGB. As the County and DLCD review this URA proposal, City staff anticipates working with County and DLCD staff to review the existing growth management agreement to address joint responsibilities within the URA but outside the UGB.

URA Conclusion

The Dalles' proposed URA is located mostly outside the Columbia River Gorge National Scenic Area by design. The Dalles' followed the Urban Reserve Rule's priorities for establishing an urban reserve area, by first considering all "adjacent or nearby" rural exception areas. After considering nearby rural residential exception areas, The Dalles' rejected expansion of the URA into irrigated, high value orchard land, despite the relatively low cost of providing urban services to portions of Study Areas 2 and 3 below the 660-foot water service elevation.

Rather, The Dalles first included nearby rural residential exception areas to meet residential needs in all four study areas. Next, The Dalles included relatively low quality (primarily Class VII) grazing lands in Study Area 1 (Northwest) to meet residential and neighborhood commercial land needs. To meet employment and public / semi-public siting requirements – while providing future residential opportunities in proximity to employment and services – the City chose to meet most of its 50-year growth needs in Study Area 4 (East). Most of the URA in Study Area 4 is located outside the Columbia River Gorge NSA.

Although existing County regulations severely limit the potential for inappropriate interim development, the Urban Reserve Area rule requires that counties adopt "interim development standards" to ensure that land is retained in large parcels until needed for urban development. The City, County and the Department of Land Conservation and Development (DLCD) need to work together to determine necessary changes to the Urban Growth Management Agreement and to develop appropriate interim development standards (for exception areas between the existing UGB and the URA) for possible adoption by Wasco County.