



WASCO COUNTY BOARD OF COMMISSIONERS
WORK SESSION
OCTOBER 13, 2010

PRESENT: Dan Ericksen, Chair, County Commissioner
Sherry Holliday, County Commissioner
Bill Lennox, County Commissioner
Kathy McBride, Executive Assistant

At 9:02 a.m. Chairman Dan Ericksen called the meeting to order.

CONSIDERATION of request for Oregon Watershed Enhancement Board Grant Application for Mill Creek Ridge Natural Area Acquisition, presented by Bruce Lumper and Virginia Bowers.

Chairman Ericksen stated the Board of Commissioners has received a request to provide a letter of support for the Columbia Land Trust's Grant Application, (Attached as Exhibit A). The Board was interested in hearing from Tim Lynn, Wasco County Assessor/Tax Collector, as to the tax implication prior to making a decision whether to support the request.

Chairman Ericksen noted that Virginia Bowers, Columbia Land Trust, and Bruce Lumper, Mill Creek Property Owner, are participating in the discussion by telephone.

Bowers stated if they are able to purchase the Mill Creek property they would consider them as open space. The Land Board would look at whether to request an exemption or an open space designation. They are seeking a letter of support for their Oregon Watershed Enhancement Board Grant Application for the Mill Creek Ridge Natural Area Acquisition.

Chairman Ericksen asked Lynn to go over the information he put together in regards to the tax implication.

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Lynn went over the information he put together for the Board's consideration, (Attached as Exhibit B).

Lynn noted he prepared the information as if the property was put into open space. Two of the properties are taxed at market and the rest are taxed at the farm value. He noted that the taxes collected would be reduced by one-third with an open space value. Lynn prefers the open space designation versus an exemption. However that will be the decision of the applicant. The Assessor would consider an exemption if an application is filed. Lynn noted Columbia Land Trust has a couple of other properties that are currently exempt from taxes.

Bowers noted the Trust owns properties that are totally tax exempt. Columbia Land Trust is looking at acquiring 1,600 to 2,000 acres of property under this grant application.

Some discussion occurred.

Chairman Ericksen suggested this is a significant area that is not conducive to development and would be better left in open space. He would ask that the Board support the acquisition and that the property be left in an open space designation where it would be taxable.

Staff noted an open space designation request would need to go through the Planning and Development Department and the Board of Commissioners for approval.

Todd Cornett, Wasco County Planning & Development Director, stated it is not a zone change; it is an open space land tax application.

Some discussion occurred regarding private conservation easements.

Bowers pointed out one piece of property is on the market. The property owner wants to sell the property. There is no option to acquire a conservation easement on that piece of property. They would need to have control over the property to manage it; specifically the one piece of property provides the best access to the ridge.

Lumper stated we had some discussion at last week's Board meeting. Some of the properties are falling out of the option of having a conservation easement because they will be sold for development.

Cornett stated he is not sure if the agriculture property could qualify for a development permit. With the forest-farm zoning they could get one dwelling. It

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would be very challenging since most of the property would not meet the fire standards.

Lumper stated he sees a combination of both conservation easements and purchases.

Bowers stated it comes down to the management issue. If Columbia Land Trust does not own the property it becomes harder to manage the resources that are there. If the property comes under their ownership they would be providing a big public benefit. There is no cost to the citizens if they own the property; they raise the funding to manage the properties. In addition to open space there are no burdens on county or city services.

Chairman Ericksen asked if it is the intent of Columbia Land Trust to have this property open to public access all the time, which would allow citizens to recreate on the property.

Bowers responded by stating they have not made that decision yet. It comes down to can we have recreation and access and still protect the resources. There is some interest in having a trail along the ridge. Management costs would go up with allowing public access.

Commissioner Lennox stated it is the intent of the Columbia Land Trust to protect the whole ridge. The properties may be under different taxing rules, such as private land owners and some in conservation. If all the property was to be designated and taken off the tax roll the Board would need to look at what we are exchanging for those tax dollars. If we are giving up some potential future taxes then we would like to see what would benefit everyone such as public access.

Further discussion occurred regarding the request from Columbia Land Trust.

Lynn pointed out during the discussion the open space tax value is higher than the special assessment and timber values.

Chairman Ericksen asked if there was anyone wishing to provide any comments to the Board.

Barbara Pashek stated she commends what Columbia Land Trust is trying to do out there; other than weighing in on the tax side of the issue.

Commissioner Holliday stated the tax implication is a concern.

Chairman Ericksen stated the Board could write a letter noting our concern regarding the tax implication issue.

Commissioner Lennox stated he would be in support of the project and the work that is being done. We could look at the other decisions that would need to be made if the project moves forward.

Chairman Ericksen would be in support of their efforts. He would like to express the County's concerns about the tax implication.

Scott Hege, County Commissioner Candidate, stated he would concur. The idea of public access makes some sense.

Commissioner Lennox stated he feels it is critical to have some public access to the ridge. That is what the County would like to see.

The Board in their letter of support would address the issues of public access and the tax implication.

*****It was the consensus of the Board of Commissioners to write a letter of support for the Columbia Land Trust Application for an Oregon Watershed Enhancement Board Grant***.**

DISCUSSION on roads and other issues that relate to the Urban Growth Boundary.

Marty Matherly, Wasco County Roadmaster, Dan Boldt, Wasco County Public Works Director/County Surveyor, Todd Cornett, Wasco County Planning & Development Director, and Tyler Stone, Wasco County Administrative Officer, were present.

Chairman Ericksen noted that Matherly has prepared a worksheet for today's discussion, (Attached as Exhibit C).

Matherly went over his worksheet at this time.

During the presentation Chairman Ericksen clarified the 18 miles of roads includes areas within the City of The Dalles limits and the urban growth boundary.

Commissioner Holliday asked if the County or the City is contacted when utility companies want to tear up the street.

Matherly stated they go through a permitting process through the Public Works Department. The County has the jurisdiction and responsibility for these roads.

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Commissioner Lennox asked if Matherly has a map showing the roads Wasco County is responsible for.

Matherly stated he does have a map showing the roads Wasco County is responsible for. It is like a puzzle; it is hard to manage.

Matherly noted the County has a good working relationship with the City of The Dalles. We are doing what we need to do as partners with the City. We are good neighbors.

Commissioner Lennox pointed out we have these roads within the City limits and urban growth boundary that should be the responsibility of the City of The Dalles. The City will not accept them because they are not up to the City's standards. The County would need to upgrade the roads to meet the standards of the City.

Matherly stated we have two options we can look at. You can transfer jurisdiction from one entity to another, or we can consider withdrawal and down grading to a public road. A public road inside the City would default to the City. We would downgrade to public roads and we would not spend any dedicated County funds on those roads. There is a plus to using either method.

Commissioner Lennox noted there have been many conversations with the City in regards to this issue; they have not been well received.

Boldt stated he has spent most of his career trying to bring up these County roads to City standards. Once we get there then we transfer these pieces to the City. He just can't get there since the standards either change or the City just won't take them. Many of the streets are improved but the City won't accept them. The City is annexing and the roads are not being accepted. The Public Works Department no longer has the funding to make these improvements.

Chairman Ericksen stated the County no longer has the money to improve these roads, or to maintain our road system. We need to get the roads to a level we can maintain. With roads it has never been a part of the discussion just to give up maintenance on the roads. Until a few years ago we were encouraging development of roads and then we would accept them to the County road system. We are now looking at going in a different direction. We need to decide what we need to maintain, which ones are most critical.

Stone stated as the City annexes the population goes up and they get the larger piece of the road dollars. They are getting additional dollars that could be directed towards those roads in the City. Matherly will need to look at which

roads will be high on his list to maintain; some of the roads within the City will be on this list.

Matherly stated the roads within the City cost more to maintain since they are paved.

Scott Hege asked if the statement of 18 miles x \$19,000 per mile within the worksheet is an annual figure.

Matherly stated that is the chip seal estimated cost. They chip seal every seven to ten years. That is a potential savings.

Some discussion occurred.

Chairman Ericksen stated the City of The Dalles has a policy of not accepting a street until it is brought up to City standards. They will stick to that policy. The City wants roads to be brought up to standards before they are accepted. In more recent meetings they have asked that the County not withdraw from these streets. Matherly does not want to go through the withdrawal process. Matherly would like to see the transfer process happen. Chairman Ericksen stated if the City will not take the transfers and they do not want us to withdraw they don't leave us the option. The only option is to decide what to withdraw from the system.

Chairman Ericksen stated even if we withdraw these 18 miles of roads we are still looking at gravel roads. The dilemma is to save a million dollars. The least important saves us the least amount of money. We are cutting the overall system of roads.

Chip Wood stated Nolan Young, City of The Dalles Manager, knows the County is in a much tighter position than the City. The City needs to accept them; they will get them one way or another. Whether they can afford to do it or not; it would be better in the long run. Wood stated he does not want to create ill will. The Public Works Department cannot take care of them anymore.

Chairman Ericksen stated we do not have a choice any more. He has expressed that to Young. As a County we are going to develop our criteria first and then bring in the City. By going through this process we will have extra leverage with the City.

Rod Runyon, County Commissioner Candidate, asked how has the conversation with the City changed since the annexation process began. The annexation brings in additional revenue to the City.

Matherly stated the conversation has not changed; their position has stayed the same.

A lengthy discussion occurred.

During the discussion Matherly noted he did a tentative cost of the motor vehicle revenue. With the projected increase in population based on \$46 per person; the City's annual income would increase by \$120,000. Matherly also pointed out the County can no longer offer to improve a road for the City to take it over. He noted there may be roads that need to be vacated and not just withdrawn.

Chairman Ericksen suggested when we finalize this issue that it is broken down to roads located within the City limits, roads located within the urban growth boundary, and rural roads. Any document we put out needs to have a comprehensive analysis on all three separate areas.

Matherly noted he would like to focus today on roads located within the urban growth boundary. We would like some direction from the Board of Commissioners.

Chairman Ericksen stated when we present this to the public he would like them to see that we looked at the entire road system so it doesn't look like we just targeted the City of The Dalles. The withdrawal is to withdraw from a County road status; drop it to a public road (road of local access).

Matherly stated we are looking at urban local roads.

Boldt stated the statutes speak differently to City streets. There is no such thing as local access roads within City street statute. If the County removes jurisdiction the City does not have the decision to determine what level; it is a City street. They can determine the level of service on that City Street.

Wood stated Dave Anderson and Nolan Young understand the big picture. He does not think we need to break it down. The City knows we are broke. The City is four years behind us as to budget problems. This is the City's first year that they have had to juggle their budget. The solution is obvious. You can go through a lot of meetings you will still have the same results.

Stone stated the dollars that they do get as they annex are dedicated to roads.

Chairman Ericksen pointed out it takes three years to approve the annexation.

Cornett stated the rules changed a few years ago. There are island annexations they can take in; there are multiple levels. The City still collects system

development charges when the properties that have been annexed are developed.

Commissioner Holliday stated when we are talking about City roads versus rural roads; its apples to oranges. There truly is a difference between the two.

Commissioner Lennox stated until the County takes some action and moves forward we will not have the City coming to say let us help you. They are waiting for us to lay our cards on the table. It is time to decide how we are going to address this issue. We need to identify the roads we are going to withdraw.

Boldt stated the County is still the jurisdiction default for any land located outside the City limits.

Lengthy discussion continued.

Boldt stated we have asked Young many times to accept the roads that were brought up to City standards. The City never accepted them. We acted on the belief the City sometime in the future would act on these roads. The City has not acted. We need to bring out the hammer.

Chairman Ericksen stated with no funding we have no choice.

Matherly stated the County needs to transfer all of the urban locals and put aside the urban minor arterials and urban major collectors.

Commissioner Lennox stated once we have put together a plan as Matherly has outlined under his next steps section of the worksheet we can sit down with the City and convey what our intentions are and have room for negotiations.

Matherly noted he has the list of roads the County has improved to City standards which have not been accepted by the City.

Chairman Ericksen would like Matherly to bring back a proposal that includes various road classifications of roads he would like the County to down grade. Along with an analysis of how much we will save annually or some estimate of savings. How many of these groups he thinks we need to down grade to make an adequate savings in the first or second years; the categories on a County wide basis. What road classifications we think are low priority which would save us money. You have to balance the service you get out of the road versus the cost of maintaining it. That way we can say we looked at all categories in the County and then prioritize per category. Within each of those there should be options not to downgrade some roads within the category.

Further discussion occurred.

Chairman Ericksen suggested we provide the City of The Dalles with a listing of what we are looking at withdrawing. We would then give them the option to either accept transfer or we will withdraw the roads.

Boldt noted the withdrawal process is similar to a road vacation.

Stone stated the upcoming urban growth boundary expansion not only impacts roads but law enforcement coverage. It is very common in other jurisdictions to have an intergovernmental agreement as part of the urban growth boundary expansion process.

Cornett noted it is a mandate to have an intergovernmental agreement on how services will be provided. It is a cooperative process. The County is not in a responsive mode; if the County said we are not interested, it dies right there. We can have those discussions before we accept to move forward in the process. We can negotiate these at the front end of the process before moving forward.

Cornett noted he wrote the document, (Attached as Exhibit D). It explains why we are in the position where we are now. They are moving forward; however it is not their issue it is ours.

Stone stated it is more critical that we begin this process while we have the expertise and knowledge.

Commissioners Holliday agreed.

Commissioner Lennox agreed we need to work on it. However he would like to move forward on one project and accomplish it before moving onto another project.

Cornett feels we should develop a new Agreement. He feels we should go through the document during a work session format. It would be a good opportunity to get feedback and then generate a draft of an intergovernmental agreement. We need to first figure out what is right for us and then get some feedback.

Some discussion occurred on an intergovernmental agreement with the City of The Dalles.

Cornett will bring back a proposed intergovernmental agreement for the Board's consideration.

Cornett stated there are some issues that need to be worked out before producing a proposed intergovernmental agreement.

Other Business:

Fred Davis, Facilities Manager, and Tyler Stone, Administrative Officer, updated the Board of Commissioners on the Parole and Probation Office Remodel Project at Annex B.

Davis noted since Chairman Ericksen and Commissioner Lennox made the walk through last week they have received a recommendation from the contractor to eradicate the HVAC system. Their observation is the system does not work properly now. The contractor initially provided us with a quote of \$32,000 to replace the HVAC unit on the roof. It is currently working but it is past its life. Hale has now provided us with a revised proposal for \$16,971. The proposal is reduced by the amount that was already budgeted to make changes to the HVAC system.

Davis noted the other option is to replace windows on the first floor at a cost of \$16,278. The contractor is estimating from order and end of installation it will probably take up to four weeks to complete the upgrade of the HVAC system.

Stone noted the Community Corrections Office has until the end of November to be out of their current office located along Fourth Street.

Davis noted the window installation will be fairly minor. They can be installed when they are finishing up on the remodel. The majority of the plumbing is already completed; the concrete cut is finished; the beam is completed; and the door frames are finished.

Davis discussed with the Board where the money for the change orders would come from. There is General Fund Contingency as well as \$100,000 in the Facilities Reserve Fund. He noted the number of change orders required with the 911/EOC Remodel at the LaClinica Building.

Discussion occurred.

Stone reminded the Board that the ADA access portion of the 911/EOC Project was pulled out of the Contract with HALE Construction knowing we would have to do a change order to address the ADA access.

Stone stated we have \$300,000 for the relocation of the 911 equipment and fiber. These funds cannot be used for construction. He noted we have about \$40,000 in change orders, which was not budgeted in the original projects.

Further discussion occurred regarding the proposed change orders and the cost of these change orders.

Stone stated we can take these funds from the Facility Reserve Fund. If the Board does not want to utilize these funds the funding will have to come out of General Fund Contingency.

{{{Commissioner Lennox moved to approve the Parole and Probation Remodel Project change orders up to \$40,000 with the understanding the funding will come out of the General Fund Contingency Account or the Facilities Reserve Fund. Commissioner Holliday seconded the motion; it was then passed unanimously.}}}

Davis presented to the Board a copy of the proposal from Apollo Sheet Metal for the Parole and Probation Remodel Project. Some discussion occurred regarding the proposal received from the subcontractor.

CONSIDERATION AND APPROVAL of the Work Session Consent Calendar of October 13, 2010, (Attached as Exhibit E).

{{{Commissioner Holliday moved to approve the Work Session Consent Calendar of October 13, 2010 as presented. Commissioner Lennox seconded the motion; it was then passed unanimously.}}}

Other Business:

Commissioner Holliday reported that the County is not eligible to receive free Salmon through the Oregon Department of Fish & Wildlife since we are not a non-profit organization. The Salmon is going to be a product Wasco County serves during the Association of Oregon Counties Product Tasting Event at this year's Conference in Eugene, Oregon.

Chairman Ericksen wondered if Mid Columbia Economic Development District would be able to acquire the Salmon in our behalf.

The Board signed:

- Regular Session Minutes of July 7, 2010.
- Regular Session Minutes of July 21, 2010.
- Executive Session Minutes of July 21, 2010.
- Wasco/Hood River County Veterans Services Advisory Committee ByLaws.

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At 11:35 a.m. the Board adjourned.

WASCO COUNTY BOARD OF
COUNTY COMMISSIONERS



Dan Ericksen, Chair of Commission



Sherry Holliday, County Commissioner



Bill Lennox, County Commissioner

Mill Creek Ridge Conservation Area Project Proposal
Columbia Land Trust

Request:

Columbia Land Trust would like a letter of support from the Wasco County Commissioners for an OWEB grant to acquire property along the Mill Creek Ridge. The grant is due October 18, 2010. A sample letter is attached.

Conservation Vision:

The proposed acquisition is the first phase of a longer term vision that would build a conservation corridor from the ridge overlooking the Columbia River south to the Mt. Hood National Forest. The goal of the first phase is to protect approximately 250 acres of quality Oregon white oak/ponderosa pine woodlands and intact, native prairie located on a ridge between Mill Creek and Browns Creek near The Dalles, Oregon. The property is extremely unique in that it supports an unparalleled assortment of native flowering plants and grasses, including "old-growth" communities of balsamroot and lupine.

The proposed acquisition lies within Columbia Land Trust's Mill Creek Conservation Area. The properties are also within the Oregon Department of Fish & Wildlife's Conservancy Strategy opportunity area, called Wasco Oaks. Situated within Mill Creek and Chenoweth Creek watersheds, the property lies northeast of the Mt Hood National Forest and the City of The Dalles water supply. Brown and Chenoweth Creeks run on the west side of the ridge. The ridge in spring is truly a site to behold. Balsamroot, lupine, desert parsley, Indian paintbrush, and over 60 other species of flowers bloom between March and June. Prairie and oak woodlands support many birds and wildlife. Many botanists and biologists have visited this site and unilaterally leave with incredible enthusiasm for the lack of non-native species, the rich diversity of native species, and the incredible beauty this ridgeline offers.

An informal trail follows the ridgeline, allowing extensive views of both Mill Creek and the Chenoweth Creek watersheds. On a clear day one can see Mt. Hood and Mt. Adams looming in the near distance. This area could easily qualify as one of the best unprotected oak woodlands and ridge prairie habitats in Wasco County.

The Mill Creek community started as a landowner-led effort to protect the ridge top from development so the future residents of The Dalles and Wasco County could enjoy recreation, beautiful views, and a proximity to wildlife and increasingly rare plant communities that define life the east of the Cascades. These landowners are committed to seeing this beautiful area protected over the long term and have contributed many hours and funds toward this goal.

Proposal:

For this first phase, Columbia Land Trust is submitting a grant to OWEB (Oregon Watershed Enhancement Board) for approximately \$275,000. These funds would help purchase 150 acres located on two separate tax lots. One lot is 104 acres owned by Bruce Lumper and Marolyn Wilks-Lumper. The other is a 46-acre property currently on the market. Columbia Land Trust would then own and manage these properties in their natural condition.

A large farm and forest property is located adjacent to these but is not part of the current OWEB grant. We hope in the future that the landowner will support placing a conservation easement on this property to further the conservation goals of this area. An easement would allow the property to be managed by the landowner as an agricultural property and still protect the ridge from development or more intensive uses. This conservation easement is still in the discussion phase.

Columbia Land Trust is aware that taking property off the tax rolls can hurt rural counties. The Trust has a property tax policy with procedures to follow on a case by case basis. If the property fits into a special-use tax classification program than that is a likely course of action. In some cases, the Trust may decide to request a property tax exemption but instead offer an in-lieu payment or other appropriate compensation. Once these properties are acquired, staff will analyze the situation and meet with County officials to discuss options.

Management

Columbia Land Trust has a dedicated stewardship program actively ensuring that conservation values on properties are protected and enhanced and that our work is received positively by neighbors and the community. Each property is managed according to established goals and objectives reflecting a desired future condition, and a system of monitoring is implemented as part of an adaptive approach measuring stewardship effectiveness.

A management plan would be developed once the Trust owns the properties. Management goals for these properties would likely be to control weeds, remove or control fuel levels to reduce risk of catastrophic wildfire, allow for and manage public access, and annual monitoring. The area does not require restoration to satisfy conservation goals. We would welcome input and assistance with this management plan from the Wasco County SWCD.

Columbia Land Trust owns and manages over 2,300 acres of similar habitat in both Washington and Oregon and is committed to monitoring our many restoration projects for project effectiveness. These monitoring results will continue to feedback into our restoration designs and management strategies to encourage the development of healthy ecosystems of oak/pine woodlands and prairies of the mid-Columbia region.

Contact Info:

Proposing Organization: Columbia Land Trust
Primary Contact: Virginia Bowers
Mailing Address: 1361 Officers' Row, Vancouver, WA 98661
Phone Number: 360-696-0131
Fax: 360-696-1847
Email: vbowers@columbialandtrust.org

Miriam Hulst, Program Representative
Oregon Watershed Enhancement Board
775 Summer Street NE, Suite 360
Salem, Oregon 97301-1290

Dear Ms. Hulst:

We are writing in support of an OWEB grant for a land acquisition project in Wasco County submitted by Columbia Land Trust. The properties are significant for the following reasons:

- They contain high quality extremely unique habitat including Oregon white oak and ponderosa pine.
- The properties are in excellent condition with few non-native species and a rich diversity of native flowering plants and grasses.
- This ridgeline offers incredible views both to the properties and from them.
- This area could easily qualify as one of the best unprotected oak/prairie habitats in Wasco County.
- Portions of these properties are zoned for 10-acre rural residential lots and reside just a few miles from the largest population center in Wasco County – The Dalles, Oregon

The proposed acquisition will address the priority habitats and species identified in the Basin Ecological Priorities by conserving unique habitat needed by these species, such as Lewis' woodpecker, western meadowlark and white-crowned sparrow.

It is these natural resources that give Wasco County its uniqueness and beauty. We strongly support the proposed acquisition of these properties.

Sincerely,

MILL CREEK RIDGE -- PHASE 1 -- 2010 TAV & TAXES

REF	MAP	LOT	CODE	ACRES	2010 TAV	2010 TAXES	SA?
7078	1N1214	1600	12.3	20.87	17,821	277.11	MKT
16983	1N1214	1600	9.3	76.5	16,983	895.78	MKT
681	1N1214	100	9.3	36.05	278	29.34	FARM
6967	1N1214	100	12.3	85.85	662	70.20	FARM
6970	1N1214	200	12.3	40	308	32.73	FARM
954	1N12	1800	9.5	48	356	39.25	FARM
6971	1N12	1800	12.3	155	33,302	575.08	FARM
7209	1N12	1800	12.5	5	2,790	98.38	FARM
7064	1N1212	2000	12.5	46.46	61,171	933.35	MKT
				513.73	133,671	2,951.22	

OPEN SPACE TAV/AC =	132.11	<u>OS TAV</u> 67,870	<u>Est OS Tax @ \$20/\$1000</u> 1,357
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October 13, 2010

WORKSHEET: COUNTY ROADS INSIDE THE DALLES UGB

BACKGROUND:

Wasco County has roughly 18 miles of county roads inside the City of The Dalles Urban Growth Boundary. The longstanding goal for the county road department has been to transfer the jurisdiction of all of these county roads to the City of The Dalles.

By agreement, the city administers all development inside the city UGB using city development standards. The county road department remains involved with development because we have jurisdiction and maintenance responsibilities of these roads.

From the county road perspective, there are many reasons in favor of jurisdiction transfer. Improvements are difficult for us to manage because urban services change our maintenance responsibilities. For example, county storm water management is the use of ditches and the city collects storm water in underground piping systems. Urban services also consist of manholes, catch basins, curbs and sidewalks and include other utilities such as natural gas and telephone. All of these services drastically change and tax our maintenance capabilities.

We simply don't have the ability to adequately manage urban service improvements. And, most importantly, with our future reduced funding, we will be hard pressed to adequately maintain the 600 plus miles of rural county roads in our transportation system.

Recently, the city installed a major waterline in East 18th Street which is a county road. Before the installation the pavement condition index (PCI) rating was 80 out of 100 (Good). After the installation and with the trench repairs completed, the new PCI dropped to 65 (Fair). What this means is this road has been prematurely elevated on the surface preservation list. This is a perfect example of adding urban services in a county road that we can no longer afford and becomes an unmanageable situation we need to avoid.

Not too many years ago, the road department was prepared to provide surface treatment and other minor improvements to each of the roads if the city would accept them into their system. Unfortunately, times have changed and we can no longer afford this offer. The fact is we are in the third

year of a four year reducing federal funding cycle that has no guarantee for reauthorization after the fourth year. Many options are being evaluated for managing this loss of income.

Planning for this loss has been ongoing since the first Secure Rural Schools Self Determination Act of 2000 (PL 106-393) was not reauthorized in 2006. At that time, we developed a long range plan that severely changed this department and our capabilities to continue to provide the services we once did. This unprecedented action was the downsizing of this department's staffing by 33%. With this reduction in manpower came reduction of service levels that we are still developing today. A good example is the changes we had to make with the snow response and removal program. With that program, we are still providing service but we are doing it differently. We still are working on new ideas on how to provide the mandated services required of us. (Note: county roads are required to be kept in appropriate repair consistent with the public's use of the road through the use of county funds.)

NEXT STEPS NEEDED:

- Begin a program or policy to withdraw or transfer county roads that we no longer need, able to manage or afford.
- We need to begin this process with the county roads inside the City of The Dalles UGB. Potential financial savings over a seven year period could be as much as \$342,000. (18 miles x \$19,000/mile).
- Determine the most acceptable method; either transfer (ORS 373.270) or withdraw (ORS 368.026).

Marty Matherly
Wasco County Roadmaster
2705 East 2nd Street
The Dalles, Oregon 97058
W 541-506-2646 C 541-980-3969
martym@co.wasco.or.us

WASCO COUNTY PLANNING
AND DEVELOPMENT
Todd R. Cornett, Director
2705 East Second Street
The Dalles, Oregon 97058



Phone: (541) 506-2560
Fax: (541) 506-2561
Web Address: co.wasco.or.us

Memo

To: Board of County Commissioners
Tyler Stone, County Administrator

From: Todd R. Cornett, Planning Director

Date: 2 September 2010

Re: City of The Dalles Urban Growth Boundary Discussion Issues.

I. Applicable Laws/Rules

A. Oregon Land Use Goal 14 – Urbanization (Excerpt)

Urban Growth Boundaries

Urban growth boundaries shall be established and maintained by cities, counties and regional governments to provide land for urban development needs and to identify and separate urban and urbanizable land from rural land. **Establishment and change of urban growth boundaries shall be a cooperative process among cities, counties and, where applicable, regional governments. An urban growth boundary and amendments to the boundary shall be adopted by all cities within the boundary and by the county or counties within which the boundary is located, consistent with intergovernmental agreements, (Emphasis added)** except for the Metro regional urban growth boundary established pursuant to ORS chapter 268, which shall be adopted or amended by the Metropolitan Service District.

Land Need

Establishment and change of urban growth boundaries shall be based on the following:

- (1) Demonstrated need to accommodate long range urban population, consistent with a 20-year population forecast coordinated with affected local governments; and
- (2) Demonstrated need for housing, employment opportunities, livability or uses such as public facilities, streets and roads, schools, parks or open space, or any combination of the need categories in this subsection

Staff Analysis: While the rule mandates each city to have a 20 year buildable land supply, the city and county must both agree about the location and amount of land to be brought into the urban growth area before moving forward on an urban growth boundary expansion. The city and county must also have a cooperative intergovernmental agreement and the county must make a legislative amendment to the comprehensive plan which only it can initiate and approve. The county is not obligated to undertake this process if there are political, financial or other reasons that would prevent it from doing so.

B. OAR 660-024-0050

Land Inventory and Response to Deficiency

(5) When land is added to the UGB, the local government must assign appropriate urban plan designations to the added land, consistent with the need determination. The local government must also apply appropriate zoning to the added land consistent with the plan designation, or may maintain the land as urbanizable land either by retaining the zoning that was assigned prior to inclusion in the boundary or by applying other interim zoning that maintains the land's potential for planned urban development until the land is rezoned for the planned urban uses (emphasis added). The requirements of ORS 197.296 regarding planning and zoning also apply when local governments specified in that statute add land to the UGB.

Staff Analysis: When the urban growth boundary is expanded, lands within the newly established urban growth area can be rezoned from National Scenic Area to county zoning, remain at their current densities, and be administered by the Wasco County – Planning Department until they are annexed into the city.

C. Columbia River Gorge National Scenic Area Management Plan (Page IV-1-5)

3. A county may apply to the Gorge Commission to make a minor revision in the boundary of an Urban Area within the county's jurisdiction

Staff Analysis: Only the county can make application to expand the urban area boundary further into the National Scenic Area.

D. Wasco County Comprehensive Plan – Chapter 11 – Revisions Process

C. Who May Apply For a Plan Revision:

1. Wasco County Governing Body (Legislative)
2. Planning Commission by a majority vote confirmed by the Wasco County Governing Body. (Legislative)

Staff Analysis: Any urban growth boundary amendment would be considered a legislative amendment to the Wasco County Comprehensive Plan because the new area within the urban growth boundary would need to be remapped in the comprehensive plan as "Urbanizable". Only the county can initiate, review and approve a legislative amendment to its comprehensive plan.

II. Existing Urban Growth Area Model/Circumstances

Much of the west end of The Dalles was created in unincorporated Wasco County prior to the establishment of urban growth boundaries which came about after the passage of SB 100 in 1974. This current model of a high urban level of development in Wasco County's jurisdiction and the resulting complications related to provision of services is the result of rules and regulations that have been replaced by a more holistic planning system which can prevent this from happening in the future. The following describes the current circumstances:

- A. Planning: A decision was made in the past that it made better sense to zone properties in The Dalles urban growth area city zoning rather than county zoning. This is consistent with other cities in Wasco County. However, unlike the other cities it was determined given the higher volume of development in this area it would be better to transfer implementation to the city and pay the city for assuming this responsibility. The original payment formula was based on covering half the cost of a City of The Dalles Planner. Based on the formula this payment goes down commensurately when acreage is annexed by the city. The FY 2010-2011 cost is \$15,284. The city also collects and keeps all fees associated with land use applications in the urban growth area.
- B. Code Enforcement: Code Enforcement related to the city's land use ordinance is not provided for property owners in the urban growth area (see Section III for further clarification). However, health related enforcement is provided because Health Department authority is county wide including the cities.
- C. Roads: Inside the existing urban growth boundary, the Wasco County Road Department is responsible for all "county roads" until they are formally transferred and accepted by the city. Roads do not automatically become the responsibility of the city when the road right-of-way is annexed.

The Wasco County Road Department has jurisdiction of "local access roads" inside the urban growth boundary and outside the city limits. However, once annexed, they automatically become the jurisdiction of the city.

Roads created as the result of development are the responsibility of the developer. They are required to be built to city standards (urban level standards including sidewalks, underground storm systems, etc.). Once built to these standards and approved by the city, they become the city's responsibility. The County Road Department staff is involved in pre-application conferences, permitting, field inspections and final approval only if the development impacts a county road or a local access road in our jurisdiction.

Improvements by developers to existing "county roads" are to be done to city standards (same standards as stated above). All roads that make these improvements and have been approved by the city and the county should be formally transferred to the city.

Existing "county roads" that do not meet "current" city standards will not be accepted by the city if they are annexed. However, once property surrounding these roads is annexed, the city's share of State Highway Funds increases, the city may exact road related System Development Charges for development along the frontage of the road and they charge franchise fees for utilities placed in the road right of way.

- D. Sheriff: Inside the existing urban growth area the Wasco County Sheriff is responsible for law enforcement. Given the current piecemeal annexation based on state laws (see map at the end of this document), this creates jurisdictional confusion.
- E. Annexation Opposition: The properties within The Dalles urban growth area are zoned and largely developed for urban level development. Because of this there is little or no incentive for them to be annexed and for many owners there is an economic disincentive. This is why many citizens oppose annexation.

III. Current Urban Growth Area Management Agreement between Wasco County and The City of The Dalles (October 1997).

Payment - Pages 6 & 7

Section 5(D)(3) is the applicable section regarding payment for planning services:

The County shall compensate the City for planning services within the UGA according to the following provisions:

- a. *Annual Amount - \$20,000 the first fiscal year payable quarterly in advance. This amount shall be prorated during the first year. Each January the City shall submit a budget request to the County for an adjusted amount of compensation. Annual adjustment may include cost of living increases, step increases, or salary range adjustments to ensure the amount remains roughly equivalent to a half-time planning position.*
- b. *The annual amount will also be prorated based on the total number of acres in the UGA. As land is annexed, or the UGA expanded, the annual amount will be adjusted. The base acreage figure for all future calculation is 1,254 acres (1,460.3 in the UGA minus 206.3 in UA). This is equivalent to \$15.95 per acre in the first year.*

Staff Analysis: The city interprets the language to lock in the amount of acreage in January, 6 months prior the beginning of the fiscal year. Any acreage that is annexed between January and the end of the fiscal year is not reduced from the amount paid by the county even though we are no longer jurisdictionally responsible. The amount could easily be prorated on a quarterly basis using GIS to determine the exact amount of acreage in the urban growth area. This would ensure the county was providing payments commensurate with the work being done on their behalf.

The "half-time planning position" charged by the city is based on the salary of the Senior Planner. If other subordinate staff also provides planning services, an average of salaries would be a fairer way to provide compensation.

The agreement is silent on Code Enforcement responsibilities in the urban growth area. The city has previously stated they do not have the authority to provide Code Enforcement services to the urban growth area because it is not included in the agreement. It has been the county's position that since it is the city's ordinances that

apply to these properties and we do not implement them, we do not have the required understanding to use them in Code Enforcement cases.

Comprehensive Plan and Implementing Ordinance Amendments – Pages 4 & 5

A. City Amendments

1. *An amendment to the following City Comprehensive Plan and implementing ordinance provisions shall be enacted only after agreement by both parties in accordance with plan and ordinance amendment procedures as established by this section.*
 - a) *An amendment to the City of The Dalles Comprehensive Plan text or map as it pertains to the Urban Growth Area and Boundary, or Areas of Mutual Interest.*
 - b) *An amendment to the text or map of any of the City of The Dalles implementing ordinances which are applicable to the Urban Growth Area or Boundary and have been adopted by the County.*
2. *All amendment requests shall be initially processed by the City. The City will refer to the County, upon receipt thereof, all requests for amendment in order to allow for a concurrent review. The City shall give the County Planning Office (15) days to complete its review and recommendation. Additional time for review may be provided upon request by the County, and with concurrence of the City. A recommendation should be submitted to the City at least ten(10) days prior to the date of the City Planning Commission hearing. The City, in making its decision, shall consider the recommendation of the County regarding the amendment request.*
3. *The decision of the City Planning Commission and City Council shall be forwarded to the County Court.*
4. *If the positions of the two jurisdictions differ, a joint meeting of the City Council and the County Court, or their designees, may be held to attempt to resolve the differences.*
5. *Appeals of an amendment request shall be made pursuant to the ORS and the OAR.*

Staff Analysis: The city has adopted several amendments that impact the urban growth area without getting authorization and approval from the county. Without getting the county's authorization and approval these ordinances are not effective in the urban growth area. Even though City Planning staff has been reminded about this requirement several times this pattern has continued.

Whenever the city amends it's ordinances the county must also review, authorize and approve them in a public hearing. The current agreement is silent about these notification responsibilities.

IV. Options for the Future

- A. Allow the Urban Growth Boundary to expand and enter into an Urban Growth Agreement which follows the current model.

1. Process

- Comprehensive plan designation changes to urban area after urban growth boundary expands.
- Zoning of urban growth area changes from NSA zoning to city zoning.
- The county pays the city to implement planning responsibilities in the urban growth area.
- The county assumes additional costs and responsibilities due to increased development in the urban growth area.
- City annexes properties over time.

2. Planning: Following the current model the county would allow the city to zone the area brought into the urban growth area and we would pay them \$20,000 - \$40,000 per year to implement the ordinances.

Staff Analysis: The county would be subsidizing the city's urban development. This is the current model based on how development occurred prior to statewide land use planning. Based on the current laws, we are not obligated to follow this model.

3. Roads: The Road Department will be responsible for roads in the urban growth area as described in Section II.

Staff Analysis: While any new roads would be built to the city's urban standards, the Road Department would still be required to participate in pre-application conferences, permitting, field inspections and final approval.

4. Sheriff: The Sherriff will be responsible for providing law enforcement services to all properties within the urban growth area.

Staff Analysis: As land in the urban growth area is developed at a higher density, this will generate more police calls creating the need for more Deputies. The county would be subsidizing the city's urban development.

5. Animal Control: The county pays a share of animal control approximately based on the location of the calls.

Staff Analysis: The majority of calls come from The Dalles and urban development surrounding The Dalles. As land in the urban growth area is developed at a higher density, this will generate more calls from that area which would likely result in a change in the amount the county pays. The county would be subsidizing the city's urban development.

6. Annexation: Based on the current annexation laws, if urban scale development is allowed in the urban growth area without annexation, property owners will likely oppose being brought in at a future date because of an increased financial burden. Even though they would be required to sign a waiver a remonstrance to prevent

them from legally challenging annexation as a condition of approval for new development, they would likely still publicly oppose annexation making it more politically difficult. This is what currently happens with delayed annexation and local improvement districts.

7. County Incentive for Continuing with Current Model: In some counties there are advantages to encouraging urban level development within the urban growth areas. Examples of these include:

- If the county maintains the building codes function the money generated from the urban development often subsidizes the service provided to the rural development.

- If there is a rural and an urban rural fire protection district the urban development in the urban growth area is needed to subsidize the fire service provided to the rural development.

- Special districts for water, sewer or others may exist with boundaries that do not coincide with those of the City or County. Funding for these districts may also be reliant on urban level of development within the urban growth areas.

Staff Analysis: None of these circumstances exist in Wasco County. Unless there are benefits not identified here, as previously stated, following the current model when the urban growth boundary expands would result in the county subsidizing the urban development of the city.

- B. Allow the Urban Growth Boundary to expand but rezone from NSA to County and retain authority.

1. Process

- Comprehensive plan designation changes to urban area after urban growth boundary expands.

- Zoning of urban growth area changes from NSA zoning to county zoning (this is allowed under OAR 660-024-0050 listed below).

- The county retains authority over urban growth area and administers its own zoning ordinances.

- Properties are rezoned to city zoning only after they are annexed.

2. Planning: Wasco County Planning retains implementation of zoning ordinances of all lands within the urban growth area.

Staff Analysis: Lands in the urban area have to be maintained at their current density. When changed from NSA zoning to County zoning there will actually be a net reduction in the impact to the Planning Department because many uses that require a high level of review in the NSA can be allowed with fewer requirements and less of a review process based on county zoning. The county will also not be obligated to pay \$20,000 - \$40,000 per year to the city. Once properties are annexed the city will have complete control over all current and long range

planning functions as well as code enforcement. This should eliminate many of the current jurisdictional issues we now face.

3. Roads: As is the current circumstances, the Wasco County Road Department will be responsible for all existing and new roads in the urban growth area.

Staff Analysis: Based on the low density zoning of the urban growth area few roads if any would be created. However, to be sure all roads are transferred when property is annexed, we could adopt the city's road standards into our ordinance. This would ensure all new roads are built and maintained to city standards prior to annexation. Road Department staff would still be required to participate in pre-application conferences, permitting, field inspections and final approval however, there should be very few of these based on the low density zoning.

4. Sheriff & Animal Control: As is the current circumstances the Sheriff would be responsible for all law enforcement in the urban growth area and the county's share of Animal Control would be based in part on the amount of calls in this area.

Staff Analysis: Based on the low density zoning there should be no discernable increase in calls to the Sheriff or the cost to Wasco County for Animal Control from this area than currently exists.

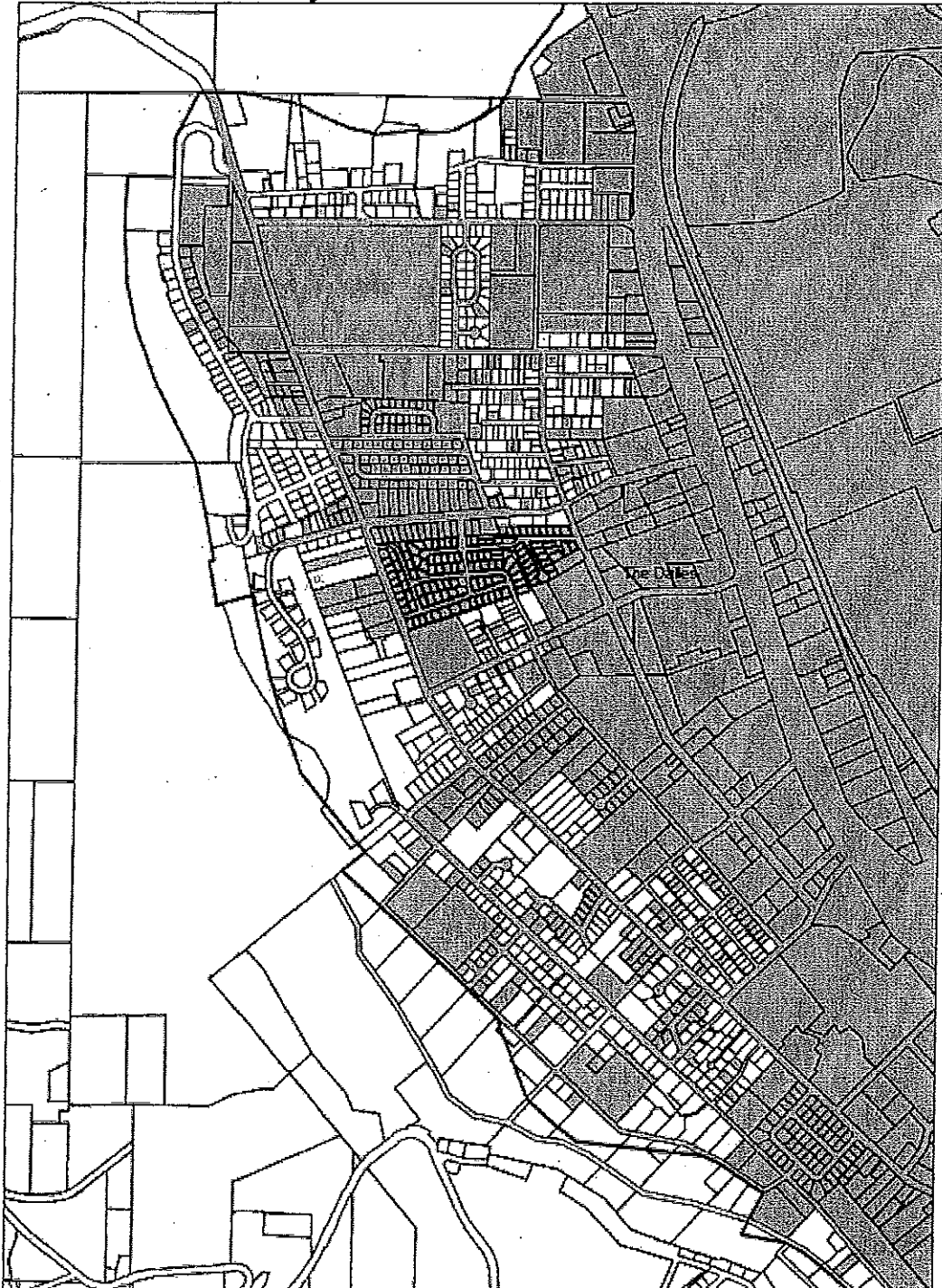
5. Annexation: Because the zoning will remain at the current density, annexation can occur while properties are still in larger acreages. This will allow annexation to occur in a more coordinated and less confusing way (see map at the end of this document) which should benefit both city and county staff who provide services to this area. Also, because properties cannot be developed to city level density until they are annexed, there will be an economic incentive for most property owners to be annexed. This should result in a more voluntary annexation process on the part of property owners within the urban growth area.

- C. Either A or B above but negotiate some issues prior to starting this process: There are numerous existing and potential issues that should be discussed and negotiated with the city before commencing the urban growth area expansion process. As previously stated, the city can only expand the urban growth boundary if the county is in agreement on the area where the boundary is to be established and initiates updates to the county's comprehensive plan and makes application to the Gorge Commission. Some of these issues include:




1. If the current model is followed all of the issues described in Section II should be addressed as part of a new Urban Growth Area Management Agreement.
2. If the current model is followed payment to the city for implementing zoning ordinances in the urban growth area should be discounted by acreages brought in that can never be developed due to topographical limitations, cultural resource limitations or other reasons.

3. The sequence of which properties will be annexed first should also be evaluated. The City may have little incentive to annex areas already developed such as Murray's Addition. However, areas like this are already developed at a more urban level of density and if in the urban growth area should be annexed into the city before areas with little or no development.
4. As previously stated, the city is currently unwilling to take county roads into the city's road network unless they meet all current city standards. Due to financial and other limitations the county will not likely ever be in a position to bring these roads to city standards. This issue as well as when and how county roads in the future urban growth area are transferred should be discussed and negotiated before the county agrees to allow the urban growth boundary to be expanded.

City of The Dalles UGB



Legend

-  Taxlots
-  City of The Dalles Urban Growth Boundary
-  Properties within the City of The Dalles



**WASCO COUNTY BOARD OF COMMISSIONERS
WORK SESSION
October 13, 2010**

CONSENT CALENDAR

1. Regular Session Minutes of July 7, 2010.
2. Regular Session Minutes of July 21, 2010.
3. Executive Session Minutes of July 21, 2010.
4. Wasco/Hood River County Veterans Services Advisory Committee ByLaws.