REVIEWED

LEGAL COUNSEL

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

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An Ordinance Amending Title 23 of the Deschutes County Code To Establish the City of La Pine Urban Growth Boundary, and Declaring an Emergency.

ORDINANCE NO. 2012-012

WHEREAS, in October of 2009, the City of La Pine ("La Pine') initiated the land use process to establish a La Pine Urban Growth Boundary ("UGB") and, the Board of County Commissioners ("Board") adopted Ordinance 2010-008 to add the adopted UGB into the County's comprehensive plan; and

WHEREAS, the Oregon Land Conservation and Development Commission remanded the ordinances for additional findings and such remand requires the repeal of Ordinance 2010-008 in order to adopt a new ordinance with the new findings; and

WHEREAS, the Deschutes County Planning Commission Planning Commission reviewed this ordinance on August 9, 2012 and, on that same date, forwarded to the Board a recommendation of approval the Comprehensive Plan map and text amendments; and

WHEREAS, the Board considered this matter after a duly noticed public hearing on August 20, 2012, and on that same date, concluded that the public will benefit from the adoption of this ordinance; now therefore,

THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, ORDAINS as follows:

<u>Section 1</u>. AMENDMENT. DCC Title 23, Chapter 4, Urban Growth Management, is amended to read as described in Exhibit "A," attached hereto and by this reference incorporated herein, with new language <u>underlined</u> and language to be deleted in strikethrough.

<u>Section 2.</u> AMENDMENT. DCC Title 23, the Comprehensive Plan map is amended, designating La Pine UGB boundaries as shown in Exhibit "B," attached hereto and by this reference incorporated herein.

Section 3. FINDINGS. The Board adopts as its findings Exhibit "C," attached and incorporated by reference herein.

<u>Section 4</u>. The legal description for the new La Pine Urban Growth Boundary shall be as described in Exhibit "D", attached and incorporated by reference herein.

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<u>Section 5.</u> EMERGENCY. This Ordinance being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this Ordinance takes effect on its passage.

Dated this _____ of _____, 2012

BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

ANTHONY DeBONE, Chair

ALAN UNGER, Vice Chair

ATTEST:

Recording Secretary

TAMMY BANEY, Commissioner

Date of 1st Reading: _____ day of _____, 2012.

Date of 2nd Reading: _____ day of _____, 2012.

		Reco	ord of Adoption	Vote
Commissioner	Yes	No	Abstained	Excused
Anthony DeBone				
Alan Unger				
Tammy Baney				

Effective date: _____ day of _____, 2012.



Chapter 4



urban Growth



Management



Section 4.1 Introduction

Background

A major emphasis of Oregon's land use planning program is directing new development into urban areas. Statewide Planning Goal 14, Urbanization, requires cities, in cooperation with counties, to create Urban Growth Boundaries (UGBs). The UGBs are legal lines that contain lands that are anticipated to urbanize over a 20-year period. UGBs allow cities to adequately plan for future urban facilities and services. State laws require that UGBs be adopted by both the city and the county.

Besides the UGBs which define the land needed for city expansion over 20 years, some cities adopt Urban Reserve Areas (URAs), which define land needed beyond a 20 year horizon, typically representing an additional 10 to 30 year land supply. By adopting an URA a city can better plan for expansion and growth. Like UGBs, URAs are done in a partnership between a county and the city.

Deschutes County has four incorporated cities. Bend, Redmond and Sisters were incorporated before 1979. The City of La Pine incorporated on November 7, 2006. Bend, Redmond and Sisters' Comprehensive Plans are coordinated with the County. Certain elements are adopted into the County's. In addition, the cities and the County maintain urban growth area zoning ordinances and cooperative agreements for mutually administering the unincorporated urbanizing areas. These areas are located outside city limits but within UGBs. As of 2010, La Pine has adopted a Comprehensive Plan and UGB in 2012. Until La Pine adopts its own land use regulations, County land use regulations will continue to be applied inside the \underline{c} -ity limits though a joint management agreement.

In addition to cities and the associated UGBs and URAs, there are rural locations around the County that contain urban level development. These areas generally existed before the Oregon land use system was enacted in the early 1970s. In 1994 the Land Conservation and Development Commission wrote a new Oregon Administrative Rule (OAR), 660-22, to classify and regulate these unincorporated communities. The OAR created four categories of unincorporated communities and required the County to evaluate existing rural developments under the new Rule.

Purpose

The Urban Growth Management chapter, in concert with the other chapters of this Plan, specifies how Deschutes County will work with cities and unincorporated communities to accommodate growth while preserving rural character and resource lands.

The following issues are covered in this chapter:

- Urbanization (Section 4.2)
- Unincorporated Communities Overview (Section 4.3)
- Sunriver Urban Unincorporated Community (Section 4.4)
- Terrebonne Rural Community Plan (Section 4.5)

- Tumalo Rural Community Plan (Section 4.6)
- Black Butte Ranch and Inn of the 7th Mountain/Widgi Creek Rural Resorts (Section 4.7)
- Rural Service Centers (Section 4.8)

Goal 14 recognizes the following:

Statewide Planning Goal 14 Urbanization

"To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities."

Excerpt from Goal 14 Planning Guidelines

"Plans should designate sufficient amounts of urbanizable land to accommodate the need for further urban expansion, taking into account (1) the growth policy of the area; (2) the needs of the forecast population; (3) the carrying capacity of the planning area; and (4) open space and recreational needs."

Background

This section describes the coordination between the County and the cities of Bend, La Pine, Redmond and Sisters on Urban Growth Boundaries (UGBs) and Urban Reserve Areas (URAs). Statewide Planning Goal 2 recognizes the importance of coordinating land use plans.

"City, county, state and federal agency and special district plans and actions related to land use shall be consistent with the comprehensive plans of cities and counties and regional plans adopted under ORS Chapter 268."

Oregon Revised Statute 197.015(5) goes further to define comprehensive plan coordination.

"A plan is "coordinated" when the needs of all levels of governments, semipublic and private agencies and the citizens of Oregon have been considered and accommodated as much as possible."

Population

An important basis for coordinating with cities is adopted population projections. Having an estimate of anticipated population is the first step to planning for future growth and conservation. ORS 195.025(1) requires counties to coordinate local plans and population forecasts. The County oversees the preparation of a population forecast in close collaboration with cities. This is important because the population of the County has increased significantly in recent decades and a coordinated approach allows cities to ensure managed growth over time.

Table 4.2.1 – Population	Growth in Deschutes	County 1980 to 2010
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Sources	1980	1990	2000	2010
Population Research Center July 1 estimates	62,500	75,600	116,600	172,050
US Census Bureau April I counts	62,142	74,958	115,367	157,733

Source: As noted above

In 1996 Bend, Redmond, Sisters and the County reviewed recent population forecasts from the Portland State University Center Population and Research Center (PRC) and U.S. Census Bureau, Department of Transportation, Woods and Poole, Bonneville Power Administration and Department of Administrative Services Office of Economic Analysis. After reviewing these projections, all local governments adopted a coordinated population forecast. It was adopted by Deschutes County in 1998 by Ordinance 98-084.

The results of the 2000 decennial census and subsequent population estimates prepared by the PRC revealed that the respective populations of the County and its incorporated cities were growing faster than anticipated under the 1998 coordinated forecast. The cites and the County re-engaged in a coordination process between 2002 and 2004 that culminated with the County adopting a revised population forecast that projected population to the year 2025. It was adopted by Ordinance 2004-012 and upheld by the Land Use Board of Appeals on March 28, 2005.

The following table displays the 2004 coordinated population forecast for Deschutes County and the UGBs of the cities of Bend, Redmond, and Sisters.

Year	Bend UGB	Redmond UGB	Sisters UGB	Unincorporated County	Total County
2000	52,800	15,505	975	47,320	116,600
2005	69,004	19,249	1,768	53,032	143,053
2010	81,242	23,897	2,306	59,127	166,572
2015	91,158	29,667	2,694	65,924	189,443
2020	100,646	36,831	3,166	73,502	214,145
2025	109,389	45,724	3,747	81,951	240,811

Table 4.2.2 – Coordinated Population Forecast 2000 to 2025

Source: 2004 Coordinated Population Forecast for Deschutes County

The process through which the County and the cities coordinated to develop the 2000-2025 coordinated forecast is outlined in the report titled "Deschutes County Coordinated Population Forecast 2000-2025: Findings in Support of Forecast."

The fourth city in Deschutes County is the City of La Pine. Incorporated on November 7, 2006, the City of La Pine's 2006 population estimate of 1,590 was certified by PRC on December 15, 2007. As a result of La Pine's incorporation, Deschutes County updated its Coordinated Population Forecast with Ordinance 2009-006.

The purpose of this modification was to adopt a conservative 20 year population forecast for the City of La Pine that could be used by city officials and the Oregon Department of Land Conservation and Development to estimate its future land need and a UGB.

The following table displays the coordinated population forecast for Deschutes County, the UGBs of the cities of Bend, Redmond, and Sisters, and La Pine from 2000 to 2025. By extending the growth rate to the year 2025, La Pine's population will be 2,352. The non-urban unincorporated population decreases by 2,352 from its original projection of 81,951, to 79,599.

Year	Bend UGB	Redmond UGB	Sisters UGB	La Pine UGB	Unincorporated County	Total County
2000	52,800	15,505	975	-	47,320	116,600
2005	69,004	19,249	1,768	-	53,032	143,053
2010	81,242	23,897	2,306	1,697	57,430	166,572
2015	91,158	29,667	2,694	1,892	64,032	189,443
2020	100,646	36,831	3,166	2,110	71,392	214,145
2025	109,389	45,724	3,747	2,352	79,599	240,811

Table 4.2.3 - Coordinated Population Forecast 2000 to 2025, Including La Pine

Source: 2004 Coordinated Population Forecast for Deschutes County – updated 2009

2030 Population Estimate

This Comprehensive Plan is intended to manage growth and conservation in the unincorporated areas of the County until 2030. Because the official population forecast extends only to 2025, County staff used conservative average annual growth rates from the adopted population forecast to estimate population out to 2030. The following table estimates Deschutes County population by extending the adopted numbers out an additional five years.

Year	Bend UGB	Redmond UGB	Sisters UGB	La Pine UGB	Unincorporated County	Total County
2030	119,009	51,733	4,426	2,632	88,748	266,538

Table 4.2.4 – Deschutes County 2030 Population Forecast

Bend's average annual growth rate from 2025 to 2030 is 1.70% Redmond's average annual growth rate from 2025 to 2030 is 2.50%

Sisters' based their population on forecasted rates of building growth, residential housing units, and persons per dwelling unit

La Pine's average annual growth rate from 2025 to 2030 is 2.20%

Deschutes County's unincorporated area average annual growth rate from 2025 to 2030 is 2.20%

As the pie chart below indicates, if population occurs as forecasted, 67% of the County's population will reside in urban areas by 2030.

In 2030



Figure 4.1 Deschutes County 2030 **Estimated Population**

Such growth will undoubtedly require strategically managing the provision of public services and maintaining adequate amounts of residential, commercial and industrial lands. Growth pressures will also require programmatic approaches to maintain open spaces, natural resources, and functional ecosystems that help define the qualities of Deschutes County.

Urban Growth Boundary Amendments

Bend

The City of Bend legislatively amended its UGB as part of a periodic review acknowledgment in December 2004. The Bend City Council and the Board of County Commissioners adopted concurrent ordinances that expanded the Bend UGB by 500 acres and satisfied a 20 year demand for industrial land.

In July 2007, the Bend-La Pine School District received approvals to expand the City of Bend UGB to include two properties for the location of two elementary schools, one at the Pine Nursery, the other on Skyliner Road.

Sisters

The City of Sisters legislatively amended its UGB in September 2005 when its City Council and the Board of County Commissioners adopted respective ordinances. The Sisters UGB expansion covered 53 acres and satisfied a 20 year demand for residential, commercial, light industrial, and public facility land. In March 2009, Sisters amended their UGB to facilitate the establishment of a 4-acre fire training facility for the Sisters/Camp Sherman Fire District.

Redmond

The City of Redmond legislatively amended its UGB in August 2006 when its City Council and the Board of County Commissioners adopted respective ordinances. The Redmond UGB expansion covered 2,299 acres and satisfied a 20 year demand for residential and neighborhood commercial land.

La Pine

In 20102 La Pine adopted its first Comprehensive Plan. La Pine established a UGB that matches the city limits, because the City contains sufficient undeveloped land for future housing, commercial and industrial needs over a 20-year period. The Plan map includes land use designations intended to provide an arrangement of uses to ensure adequate and efficient provision of public infrastructure for all portions of the City and UGB.

Urban Reserve Area

Redmond

In December 2005, Redmond City Council and the Board of County Commissioners adopted a 5,661 acre URA for the City. It is the first URA in Central Oregon because most cities find planning farther into the future than the 20-year UGB timeframe, challenging.

Coordination

As noted above, Statewide Goal 2 and ORS promote land use planning coordination. The purposes of the urbanization goals and policies in this section are to provide the link between urban and rural areas, and to provide some basic parameters within which the urban areas of Deschutes County can develop, although the specific comprehensive plan for each community remains the prevailing document for guiding growth in its respective area. These policies permit the County to review each city's comprehensive plan to ensure effective coordination.

The Redmond and Deschutes County Community Development Departments received the Oregon Chapter of American Planning Association's (OAPA) Professional Achievement in Planning Award in 2006 for the "Redmond Urban Reserve Area / Urban Growth Boundary Expansion Project.".

The following quote taken from the Oregon Chapter of the American Planning Association's 2006 Awards Program shows why the Redmond Community Development Department was chosen for this award.

"An outstanding effort to address Redmond's rapid population growth, including the successful designation of an Urban Reserve and the imminent designation of an Urban Growth Boundary, a "Framework Plan" with a requirement for master planning, and the establishment of "Great Neighborhood Principles."



Goals and Policies

Goal I	Coordinate with cities, special districts and stakeholders to support urban growth boundaries and urban reserve areas that provide an orderly and efficient transition between urban and rural lands.
Policy 4.2.1	Participate in the processes initiated by cities in Deschutes County to create and/or amend their urban growth boundaries.
Policy 4.2.2	Promote and coordinate the use of urban reserve areas.
Policy 4.2.3	Review the idea of using rural reserves.
Goal 2	Coordinate with cities, special districts and stakeholders on urban growth area zoning for lands inside urban growth boundaries but outside city boundaries.
Policy 4.2.4	Use urban growth area zoning to coordinate land use decisions inside urban growth boundaries but outside the incorporated cities.
Policy 4.2.5	Negotiate intergovernmental agreements to coordinate with cities on land use inside urban growth boundaries and outside the incorporated cities.
Policy 4.2.6	Develop urban growth area zoning with consideration of the type, timing and location of public facilities and services provision consistent with city plans.
Policy 4.2.7	Adopt by reference the comprehensive plans of Bend, La Pine, Redmond and Sisters, as the policy basis for implementing land use plans and ordinances in each city's urban growth boundary.
Goal 3	Coordinate with cities, special districts and stakeholders on policies and zoning for lands outside urban growth boundaries but inside urban reserve areas.
Policy 4.2.8	Designate the Redmond Urban Reserve Area on the County Comprehensive Plan Map and regulate it through a Redmond Urban Reserve Area (RURA) Combining Zone in Deschutes County Code, Title 18.
Policy 4.2.9	In cooperation with the City of Redmond adopt a RURA Agreement consistent with their respective comprehensive plans and the requirements of Oregon Administrative Rule 660-021-0050 or its successor.
Policy 4.2.10	The following land use policies guide zoning in the RURA.a. Plan and zone RURA lands for rural uses, in a manner that ensures the orderly, economic and efficient provision of urban services as these lands are brought into the urban growth boundary.b. New parcels shall be a minimum of ten acres.

c. Until lands in the RURA are brought into the urban growth boundary, zone changes or plan amendments shall not allow more intensive uses or uses that

generate more traffic, than were allowed prior to the establishment of the RURA.

- d. For Exclusive Farm Use zones, partitions shall be allowed based on state law and the County Zoning Ordinance.
- e. New arterial and collector rights-of-way in the RURA shall meet the right-ofway standards of Deschutes County or the City of Redmond, whichever is greater, but be physically constructed to Deschutes County standards.
- f. Protect from development existing and future arterial and collector rightsof-way, as designated on the County's Transportation System Plan.
- g. A single family dwelling on a legal parcel is permitted if that use was permitted before the RURA designation.
- Policy 4.2.11 Collaborate with the City of Redmond to assure that the County-owned 1,800 acres in the RURA is master planned before it is incorporated into Redmond's urban growth boundary.



CITY OF LA PINE STAFF REPORT/ISSUE SUMMARY

DATE SUBMITTED:	July 2, 2012
TO:	Deschutes County
FROM:	City of La Pine - Deborah McMahon
SUBJECT:	Remand item update for Comprehensive Plan
AGENDA DATE:	July 2012
TYPE OF ACTION REQUE [] Resolution [] No Action – R [X] Formal Motion	[X] Ordinance Leport Only [X] Public Hearing

Background:

The County is asked to consider the City of La Pine's Goal 14 exception request, which is a requirement to support and justify the location of the proposed La Pine Urban Growth Boundary.

This Goal 14 exception is necessary given the recent Department of Land Conservation and Development (DLCD) Compliance Schedule and Continuation Order 11- Cont-Comply-001804 for La Pine's remanded acknowledgement tasks. La Pine previously received approval and acknowledgement of Goals 1, 3, 4, 6, 8, 9, 11, and 13. Additional work was required for Goals 2, 5, 7, 10, 12 and 14. Goal 14 requires Deschutes County review and approval because the La Pine UGB location could affect the County's Comprehensive Plan. Thus, additional work was completed to further justify the location of the UGB, which is proposed to be the same line as the current City Limits.

The Goal 14 exception explains and justifies why the provisions of Statewide Planning Goal 14 that requires residential lands needs for urban growth planning to be based on a 20-year population projection need not apply to the City of La Pine.

The City of La Pine has identified land needs for the full range of planning and zoning categories required by its citizens (Housing, Employment, Public Facilities, and Recreation). The City must also determine what areas to include in the urban growth boundary to satisfy the land needs identified in the Comprehensive Plan. In conducting this analysis, only lands within the City's corporate City limits have been considered.

The City has carefully selected lands to meet the identified land needs. Most all of the lands proposed for inclusion in the City's original urban growth boundary have been designated exception areas under the acknowledged Deschutes County Comprehensive Plan. Other areas are not subject to Oregon's Statewide Planning Goals. No high-value farmland is proposed to be included and only the minimum amount of forestland necessary to accommodate the need has been proposed.

The City has compared its approach and proposed land area choices with the applicable provisions of Statewide Planning Goal 14, as well as, the statutory hierarchy presented at ORS 197.298. The City finds that the lands proposed for inclusion in its original urban growth boundary are consistent with the priority scheme expressed in state law. Therefore, the City's legal responsibilities with regard to urban growth boundary location are satisfied.

DLCD staff representatives were instrumental in helping La Pine prepare the exception request and will be at the upcoming Deschutes County meetings to help answer any questions the Commissioners may have.

Request:

La Pine respectfully recommends the County hold public meetings and a hearing before the Commission to discuss the Goal 14 exception and proceed to adopt the Goal 14 exception request.

Analysis of Urban Growth Boundary Locational Requirements

I. Introduction.

The city of La Pine has identified land needs for the full range of planning and zoning categories required by its citizens (Housing, Employment, Public Facilities and Recreation). The city must also determine what areas to include in the urban growth boundary to satisfy the land needs identified in the Comprehensive Plan. In conducting this analysis only lands within the city's corporate city limits have been considered.

The city has carefully selected lands to need the identified land needs. Most all of the lands proposed for inclusion in the city's original urban growth boundary have been designated exception areas under the acknowledged Deschutes County Comprehensive Plan. Other areas are not subject to Oregon's Statewide Planning Goals. No high-value farmland is proposed to be included and only the minimum amount of forestland necessary to accommodate the need has been proposed.

The city has compared its approach and proposed land area choices with the applicable provisions of Statewide Planning Goal 14, as well as, the statutory hierarchy presented at ORS 197.298. The city finds that the lands proposed for inclusion in its original urban growth boundary are consistent with the priority scheme expressed in state law. Therefore, the city's legal responsibilities with regard to urban growth boundary location are satisfied.

The city's response to Statewide Planning Goal 14 and ORS 197.298 is as follows:

II. Criteria and Responses.

A. Statewide Planning Goal 14 - Urbanization

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 20year population forecast coordinated with affected local governments; and

<u>Response:</u>

The city has a 20 year population forecast that has been coordinated with Deschutes County and acknowledged by the State of Oregon. The city's population forecast predicts that La Pine will grow from 1,697 in 2009 to 2,566 in 2029, which would be an increase of 869 citizens. Based on an assumed 1.98 persons per home across all housing types it will take 439 housing units to accommodate the forecasted population growth. Some of the needed housing will be accommodated through occupancy of units that are currently vacant while the majority will need to be constructed. If an expected 15% residential vacancy rate is applied the total number of new housing units needed is increased to <u>548</u>.

The city's Buildable Lands Inventory and the Goal 10 element of its comprehensive plan show that the existing city limits and proposed urban growth boundary contain about 1,284 acres of vacant or re-developable land to respond to a calculation of about 182 acres of need.

After a 30% dedication factor is applied to account for public infrastructure and other services that would need to be provided a net amount of about 922 acres, including about 23 acres included in a Commercial Mixed Use designation, remains to respond to about 127 net acres of need.

The figures above indicate that the city's existing supply of residentially designated land results in surplus of about 1,135 gross acres once the Commercial Mixed Use lands have been deducted from the needs category.

The city has approved an exception to this provision of Goal 14. Therefore, the differences between residential land need and residential land supply have been reconciled.

(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 (2).

<u>Response:</u>

Goal 14 calls for urban populations and urban employment to be accommodated inside of urban growth boundaries. Accordingly, the city's comprehensive plan identifies a need for all categories of land uses. The proposed urban growth boundary offers a suitable amount of land for housing, employment, public facilities and recreation.

In determining need, local government may specify characteristics, such as parcel size, topography or proximity, necessary for land to be suitable for an identified need.

Response:

The city has identified and considered several important characteristics in determining what lands are suitable for a particular need. Only lands within the existing city limits were analyzed, including but not limited to, the boundaries of the La Pine Urban Unincorporated Community identified in the acknowledged Deschutes County Comprehensive Plan. After thorough review the city was able to conclude that lands proposed for inclusion in the urban growth boundary are sufficient to meet the needs of La Pine's citizens.

Prior to expanding an urban growth boundary, local governments shall demonstrate that needs cannot reasonably be accommodated on land already inside the urban growth boundary.

Response:

This is the city's first attempt to establish an urban growth boundary. Because no urban growth boundary currently exists there is no land already inside the urban growth boundary that could possibly accommodate any identified use or land need.

Boundary Location

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;

<u>Response:</u>

The city has efficiently accommodated the identified land needs in three ways. First, the city has utilized the boundary of the La Pine Unincorporated Community Boundary. This territory has been largely developed to a variety of land uses and was acknowledged as eligible for full levels of urban development and urban services. Other lands the city has targeted include already developed areas committed to urban levels of residential development and include a high percentage of the city's population base. Finally, additional lands need for public facilities have been designated near the existing sewer treatment plant and serve to compliment land originally designated by Deschutes County for this purpose.

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

<u>Response:</u>

<u>The proposed urban growth boundary is based on the acknowledged La Pine Urban</u> <u>Unincorporated Community Boundary</u>. The city's public facilities strategy builds on plans already in place and continues to promote an efficient arrangement of facilities and services.

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

<u>Response:</u>

The city has considered only areas within the existing city limits for inclusion within its first urban growth boundary. The environmental, energy, economic and social consequences of the selected lands are not greater than possible comparative locations. The city believes the selected lands offer advantages in each of the four categories identified by this provision. In fact, several core features of the urban growth boundary location benefit multiple values.

The selected lands have environmental benefits over alternative sites because they include a minimum amount of wetlands and riparian corridors. Furthermore, the lands selected for inclusion in the urban growth boundary are not designated for big game wildlife habitat or winter

range. Selecting alternative locations would have affected more environmentally sensitive areas and made more undeveloped landscape available for urban development. By focusing on existing impacted areas and lands planned and zoned for development the city has avoided producing negative impacts on the environment to the maximum extent possible.

The selected lands have energy benefits over alternative sites because focusing on existing impacted areas and lands planned and zoned for development will help reduce the need for additional vehicle trips. Alternative areas could increase vehicle trips causing an increase in the use of fossil fuels. The selected lands also take advantage of existing public facilities and services, which will reduce the need for new for building new infrastructure. Building new infrastructure requires significant investment of materials and consumption of energy resources. Lands identified for public uses on the east side of Hwy 97, as well as, lands located in the La Pine Industrial Park also hold potential for renewable energy development. Encouraging renewable sources of energy will assist the community and the region to reduce their dependency on fossil fuels.

The selected lands have economic benefits over alternative sites because job creating activities will be directed into areas currently planned, zoned and marketed for employment uses. The selected lands also take advantage of existing public facilities and services, which will reduce the need for new for building new infrastructure. Building new infrastructure requires significant investment of financial capital from public and private sources. Siting job creating industry and commercial opportunities on lands already devoted to such uses will also help build prosperity in the community by providing a greater variety of employment options and reducing commuting costs.,

The selected lands have social benefits over alternative sites because focusing on existing impacted areas and lands planned and zoned for development supports the existing community. Selecting sites outside of the existing city limits for future urban development would unnecessarily expand the city footprint and detract from the tight knit community values enjoyed by La Pine's citizens. Failing to include lands in the existing city boundary would be poor public policy because it would be confusing for citizens and challenging for city administrators. Failing to include the proposed lands in the city's original urban growth boundary would have the undesirable effect of excluding more than 30% of the city's population. Excluding a substantial portion of the city's citizens from the urban growth boundary could have negative social consequences by creating confusion and a sense of isolation for those lands that are inside the corporate city limits but not located inside the city's urban growth boundary.

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

Response:

Rural residential settlement and public forests are the predominate land uses occurring outside of the proposed urban growth boundary. Very little commercial farm or forestry activities are conducted near La Pine. The area's high elevation and short growing season makes raising crops

difficult. The dry high desert climate and timber stands dominated by Lodgepole Pine challenge the production of merchantable timber.

Some Exclusive Farm Use (EFU) zoning is present to the west and southwest of the city limits. EFU lands in this area are generally meadow pasture used for seasonal livestock grazing. The Little Deschutes River separates the city from a majority of agricultural land to the west. EFU lands to the southwest are arranged to following the location of Long Prairie, a narrow meadow corridor running north-south.

Although the dry forests east of the Cascade Mountains are not ideal for timber production, the forest products industry has played a key role in the development of all Central Oregon communities. Large tracts of privately held industrial forestland are present well to the south of the city. Many of these lands were originally owned and managed by the Gilchrist Lumber Company. More recently the areas have been managed by Crown Pacific and a block of over 20,000 acres has been designated as Oregon's newest State Forest. However, Forest zoning closest to the city is almost entirely located on federal land managed by the USDA Bureau of Land Management or the United States Forest Service. The multiple use missions of the two managing federal agencies does not place commercial forest practices above other resource opportunities offered by the Deschutes National Forest and other public lands.

Based on the above, the proposed urban uses will be compatible agriculture and forest activities occurring outside the urban growth boundary for several reasons. First of all, because such uses, to the extent they exist, are low intensity seasonal livestock grazing and irregular forest activities on federal land there are limited possibilities for conflict. These uses have co-existed with the La Pine community for decades and are part of the community's identity. Lands zoned for EFU located west of the city are separated from urban uses by the Little Deschutes River. The river corridor serves as a buffer between the city and agricultural lands. Commercial forest practices are not regular activities on adjacent federal timber lands. Private forest lands are located a sufficient distance from the city limits to put them beyond the potential for conflict with urban uses.

B. ORS 197.298 Priority of land to be included within urban growth boundary.

(1) In addition to any requirements established by rule addressing urbanization, land may not be included within an urban growth boundary except under the following priorities:

(a) First priority is land that is designated urban reserve land under ORS 195.145, rule or metropolitan service district action plan.

Response:

The city of La Pine and Deschutes County have not designated urban reserve land under ORS 195.145, OAR Chapter 660, Division 21 or a metropolitan service district plan. Therefore, no urban reserve land is available and it is not possible for the city to accommodate any of the identified land need on lands designated the highest priority for inclusion within an urban growth

boundary.

(b) If land under paragraph (a) of this subsection is inadequate to accommodate the amount of land needed, second priority is land adjacent to an urban growth boundary that is identified in an acknowledged comprehensive plan as an exception area or nonresource land. Second priority may include resource land that is completely surrounded by exception areas unless such resource land is high-value farmland as described in ORS 215.710.

Response:

Land under paragraph (a) of this subsection is inadequate to accommodate the amount of land needed because no urban reserve land is available. Due to the lack of urban reserve land the city must consider the second highest priority land type.

This exercise involves establishing the city's first urban growth boundary. It is apparent to the city that the language in (b) of this subsection contemplates the expansion of an urban growth boundary because it speaks to "land adjacent to an urban growth boundary that is identified in an acknowledged comprehensive plan as an exception area or nonresource land."

In this case, there is no existing urban growth boundary. Therefore, there is no land of any type adjacent to an urban growth boundary and it is not possible for the city to accommodate any of the identified land need on lands designated the second highest priority for inclusion within an urban growth boundary.

(c) If land under paragraphs (a) and (b) of this subsection is inadequate to accommodate the amount of land needed, third priority is land designated as marginal land pursuant to ORS 197.247 (1991 Edition).

Response:

Land under paragraphs (a) and (b) of this subsection is inadequate to accommodate the amount of land needed because no urban reserve land is available and there is no land adjacent to an urban growth boundary that is identified in an acknowledged comprehensive plan as an exception area or nonresource land. Due to the lack of lands under paragraphs (a) and (b) of this subsection, the city must consider the third highest priority land type.

Deschutes County is not one of only two counties in the state of Oregon to have designated marginal land pursuant to ORS 197.247 (1991 Edition). Therefore, no marginal land is available and it is not possible for the city to accommodate any of the identified land need on lands designated the third highest priority for inclusion within an urban growth boundary.

(d) If land under paragraphs (a) to (c) of this subsection is inadequate to accommodate the amount of land needed, fourth priority is land designated in an acknowledged comprehensive plan for agriculture or forestry, or both.

Response:

Land under paragraphs (a) to (c) of this subsection is inadequate to accommodate the amount of land needed because no urban reserve land is available, there is no land adjacent to an urban growth boundary that is identified in an acknowledged comprehensive plan as an exception area or nonresource land and no marginal land has been designated. Due to the lack of lands under paragraphs (a) to (c) of this subsection, the city must consider the fourth highest priority land type

Although an absence of higher priority lands frees the city to exclusively consider areas designated agriculture and forestry under statewide planning goals 3 and 4, the city has satisfied nearly all of its land needs on with exception areas and lands not subject to the Oregon statewide Planning Goals.

Residential Lands

The city has designated residential lands in its southeast quadrant and along its western boundary. Residential areas have been selected from lands that are, or have been: a) Included in the Urban Unincorporated Community of La Pine designated in the acknowledged Deschutes County Comprehensive Plan; b) Included in a rural residential exception area designated in the acknowledged Deschutes County Comprehensive Plan; or c) Included in the original La Pine Townsite area with a residential settlement pattern resembling that found in the rural residential exception areas. In addition, the city has approved a Goal 14 exception to justify why its residential lands may be included in the urban growth boundary.

Employment Lands

The city's employment lands are primarily made up of areas identified for industrial activities. Other employment lands are all non-industrial employment activities including the widest range of retail, wholesale, service, non-profit, business headquarters, administrative and governmental employment activities that are accommodated in retail, office and flexible building types. Other employment uses also include employment activities of an entity or organization that serves the medical, educational, social service, recreation and security needs of the community typically in large buildings or multi-building campuses.

The city has designated employment lands at different locations throughout the city. The city's primary industrial land base is located at its south east city limits. This area includes a site "certified" by the state of Oregon as being project ready.

Nearly all of the city's employment lands have been selected from areas that have been included in the Urban Unincorporated Community of La Pine Designated in the acknowledged Deschutes County Comprehensive Plan. One small area of about 20-acres has been designated for "MixedUse Commercial" along Burgess Road on lands protected for agriculture in the Deschutes County Comprehensive Plan. The agricultural lands are blocked by a residential neighborhood to the south and federal lands to the east. The city limits boundary is to the west.

Public Facilities & Recreation Lands

Land needs for Public Facilities and Recreation activities have been generally satisfied within the foot print of the La Pine Urban Unincorporated Community or lands in Federal ownership that are not subject to the statewide planning goals.

As small portion of lands needed for Recreation activities have been designated for agricultural use in the acknowledged Deschutes County Comprehensive Plan. This area is a portion of a 40-acre tax lot owned by the La Pine Park & Recreation District.

Lands in Federal Ownership needed for Public Facilities and Recreation activities are principally located on the city's east side, north of Reed Road.

(2) 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.

Response:

Only small amounts of agricultural lands are required to meet the city's identified land needs. These areas are made up of about 20 acres needed for employment lands and a portion of a 40 acre tax lot needed for Recreational activities. In both instances the areas are comprised of Shanahan Loamy Coarse Sand, 0 to 3 percent slopes and Sunriver Sandy Loam, 0 to 3 percent slopes. Both soil types have an agricultural capability class VI, which represents some of the poorest possible agricultural lands. No lands of a lower agricultural capability class are available to choose from. Therefore, the identified areas are the highest priority agricultural lands for inclusion in the urban growth boundary.

Soil information for Federal lands needed for Public Facilities and Recreational activities is not available from NRCS. These lands are lightly forested and include a quarry. The lands do not differ significantly from other nearby areas designated for forest use.

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

(a) Specific types of identified land needs cannot be reasonably accommodated on higher priority lands;

Response:

The city of La Pine is not proposing to include land of lower priority under subsection (1) of this section over land of higher priority under subsection (1). Therefore, this criteria is not applicable.

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

Response:

The city of La Pine is not proposing to include land of lower priority under subsection (1) of this section over land of higher priority under subsection (1). Therefore, this criteria is not applicable.

(c) Maximum efficiency of land uses within a proposed urban growth boundary requires inclusion of lower priority lands in order to include or to provide services to higher priority lands. [1995 c.547 §5; 1999 c.59 §56]

Response:

The city of La Pine is not proposing to include land of lower priority under subsection (1) of this section over land of higher priority under subsection (1). Therefore, this criteria is not applicable.

III. Final Conclusion.

The city has satisfied the factors of Goal 14 and legal requirements of ORS 197.298.

The factors of Goal 14 are satisfied because the city has demonstrated compliance with the coordinated 20-year population forecast through taking an exception to Goal 14. The city has demonstrated that the selected lands are capable of accommodating all of its land needs and that such needs can not be net inside of the existing urban growth boundary because there is no existing urban growth boundary. The lands selected build mostly on the acknowledged boundary of the La Pine Urban Unincorporated Community and existing developed lands. Focusing on developed areas and existing community infrastructure affords the city efficiencies, financial and otherwise, not available from areas outside of the city limits. The city has also shown the selected lands to have environmental, economic, energy and social benefits over areas outside the city limits and that the selected lands will be compatible with farm and forest activities.

ORS 197.298 is satisfied because no lands described in subsections ORS 197.298 (1)(a) to (c) and subsection ORS 197.298(1)(d) allows consideration of other lands. Furthermore, most of the city's land needs have been satisfied with areas designated as Urban Unincorporated Community and residential exception area by the acknowledged Deschutes County Comprehensive Plan and Federal lands that are not subject to Oregon's Statewide Planning Goals. The limited amount of agricultural land needed to meet the city's land needs is the lowest possible agricultural

capability, which makes it the highest priority of agricultural land under ORS 197.298(2) for inclusion in the urban growth boundary. The lightly timbered Federal land is no different than nearby areas protected for forest uses and no forest land of a lower priority under ORS 197.298(2) is available for inclusion in the urban growth boundary.

An Exception to Statewide Planning Goal 14

Residential Lands - La Pine, Oregon

Community Document 5/23/2012

This document justifies why the provisions of Statewide Planning Goal 14 that requires residential lands needs for urban growth planning to be based on a 20-year population projection need not apply to the city of La Pine.

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I. <u>Background.</u>

a. Narrative

The city of La Pine (city) was incorporated in November of 2006. The city's corporate territory is predominantly comprised of lands designated as an Urban Unincorporated Community in the acknowledged Deschutes County Comprehensive Plan. An Urban Unincorporated Community, is a land use category defined and described in OAR Chapter 660, Division 22, often referred to as the "Rule Community Rule." Urban Unincorporated Communities, or UUCs, are those areas that most closely resemble cities. UUCs have over 150 permanent residences, a mixture of land uses and public facilities and services. Lands included in a UUC designation are eligible for a full range of urban residential development and a full range of urban services such as community sewer and water. UUCs appear and function much like cities. In most cases the only true difference is that a UUC is governed by a county and a city is an incorporated municipality and is self-governing.

Since incorporation, the city has been diligently working to establish a system of local governance with staff to provide service to its citizens. Among other things, the city has been working to create an acknowledged comprehensive land use plan (plan) and implementing ordinances as required by state law. Once acknowledged, the plan will guide future development and will act as the governing document for city land use decisions. A key role of the plan is to designate an urban growth boundary separating urban and urbanizable lands from rural lands.

Urban growth boundaries are ordinarily designated based on a projection of land needs for a variety of categories (residential, commercial, employment, public, etc.) over a 20-year planning horizon. However, this ordinary principle of urban growth boundary designation need not apply to the city's residential lands inventory for at least three reasons. First, the city is establishing an urban growth boundary for the very first time as opposed to expanding an existing urban growth boundary. In this situation the city has an established city limits but no urban growth boundary. The city believes it would be poor public policy to have an urban growth boundary within the city limits because it would be confusing for the citizens, challenging for city administration and, for based on the materials included in this document, ultimately unnecessary. Second, most all of La Pine was planned and zoned for urban levels of residential development and urban facilities and services when it was under county jurisdiction prior to incorporation. Third, the city has a fairly small population and a fairly large land base relative to its size. Existing residential neighborhoods are disbursed throughout the city boundary instead of focused at a central location. Failure to include all of the city's residential lands into the urban growth boundary would result in a significant portion of the city's population living on "rural" lands within the city's boundaries, frustrating the city's ability to furnish public facilities and services to its citizens.

Statewide Planning Goal 14 and its implementing administrative rule direct cities to rely on a 20year population forecast to establish residential lands needs. Instead, for reasons to be explained in greater detail below, La Pine may rely on its corporate city limits as the natural and reasonable location for its urban growth boundary. In other words, La Pine proposes that its city limits and urban growth boundary be co-terminus.

This document explains why strict adherence to the 20-year population forecast is not necessary to establish an amount of residential lands within the city's first urban growth boundary and justifies an exception to that provision of Goal 14.

b. Residential Lands Needs

The city has a 20 year population forecast that has been coordinated with Deschutes County and acknowledged by the State of Oregon. The city's population forecast predicts that La Pine will grow from 1,697 in 2009 to 2,566 in 2029, which would be an increase of 869 citizens. Based on an assumed 1.98 persons per home across all housing types it will take 439 housing units to accommodate the forecasted population growth. Some of the needed housing will be accommodated through occupancy of units that are currently vacant while the majority will need to be constructed. If an expected 15% residential vacancy rate is applied the total number of new housing units needed is increased to <u>548</u>.

The city's residential lands need is calculated by dividing the number of additional housing units needed by the expected average units per acre. The residential lands needs are then further refined by applying a dedication factor to project the portion of each acre that will be not available for residential development due to the presence of infrastructure and other community services. The resulting figure is known as "net" acres.

The city's historic settlement pattern combined with more recent development activity, the presence of city services and an assumed increase in attached housing indicate that a reasonable expected development pattern is <u>3 units</u> per gross acre or <u>4.3 units</u> per net acre. This figure reflects new construction and redevelopment on larger, pre-existing lots and parcels generally of 1-2.5 acres in size for an average density of one dwelling per acre, future subdivision activity 5- units per net acre and the projection of 25% of the city's housing stock being multifamily at an estimated 12 units per acre. If 548 new housing units are needed, it will take a total of 182 gross acres or 126 net acres. Since the mixed use commercial designation is expected to absorb about 23 net acres (about 32 gross acres) of housing opportunity the city's total residential lands need is approximately <u>149 gross acres</u> (about 104 net acres) of undeveloped or re-developable land.

Table 1.

Development Type	Estimated Percentage of New Housing Stock	Estimated Residential Den- sity
New Homes on & Re- Development of Existing Large Lots	10%	1 units/acre
Future Subdivision Activity	65%	5 units/acre
Future Multi-Family Develop- ment	25%	12 units/acre

c. Residential Lands Supply

The city's Buildable Lands Inventory and the Goal 10 element of its comprehensive plan show that the existing city limits and proposed urban growth boundary contain about 1,284 acres of vacant or re-developable land to respond to a calculation of about 182 acres of need.

After a 30% dedication factor is applied to account for public infrastructure and other services that would need to be provided a net amount of about <u>922 acres</u>, including about 23 acres included in a Commercial Mixed Use designation, remains to respond to about <u>127 net acres</u> of need.

The figures above indicate that the city's existing supply of residentially designated land results in surplus of about 1,135 gross acres once the Commercial Mixed Use lands have been deducted from the needs category.

II. Oregon Statewide Planning Goals.

a. Goal 14 (Urbanization)

To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

III. Oregon Administrative Rules.

a. Chapter 660, Division 4

This administrative rule contains the generally applicable exception provisions. The rule interprets and implements ORS 197.732 and portions of Statewide Planning Goal 2. OAR 660-004-0010(1) identifies OAR 660-014-0030 or -0040 as the review criteria for a Goal 14 exception. Section OAR 660-004-0040 provides guidance for appropriate residential densities in rural exception areas.

b. Chapter 660, Division 14

This administrative rule is titled "Application of the Statewide Planning Goals to Newly Incorporated Cities, Annexation, and Urban Development on Rural Lands." Section OAR 660-014-0030 includes the review criteria for a proposal to demonstrate that rural lands are "irrevocably committed" to urban levels of development. Section OAR 660-014-0040 includes the review criteria for a proposal to demonstrate that there are "reasons" why urban development may be appropriate of rural lands.

c. Chapter 660, Division 22

This administrative rule includes the State's provisions for Unincorporated Community Planning. Section OAR 660-020-0040 speaks to Urban Unincorporated Communities, which are defined as having features of a city such as permanent housing, a mix of land uses and public facilities and services.

d. Chapter 660, Division 24

This administrative rule provides guidance on the adoption or amendment of an urban growth boundary. Section OAR 660-024-0020(1) identifies that a local government may choose to take an exception to a particular Goal requirement.

IV. <u>Review Criteria & Responses.</u>

The City of La Pine chooses to take an exception to a particular Goal requirement as allowed for in OAR 660-024-0020(1). Specifically, the city seeks relief from the following provision of Statewide Planning Goal 14:

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;

The city strongly believes that either a "reasons" exception or an "irrevocably committed" would be successful. Since only one exception opportunity must be satisfied the city has elected to demonstrate that its residential lands are Irrevocably Committed to Urban Levels of Development. Therefore, the provisions of OAR 660-014-0030 constitute the applicable review criteria.

OAR 660-014-0030

Rural Lands Irrevocably Committed to Urban Levels of Development

(1) A conclusion, supported by reasons and facts, that rural land is irrevocably committed to urban levels of development can satisfy the Goal 2 exceptions standard (e.g., that it is not appropriate to apply Goals 14's requirement prohibiting the establishment of urban uses on rural lands). If a conclusion that land is irrevocably committed to urban levels of development is supported, the four factors in Goal 2 and OAR 660-004-0020(2) need not be addressed.

Response:

The provisions of Statewide Planning Goal 14 and OAR 660-024-0020(1) require that urban growth boundaries be based on the adopted 20-year population forecast. However, this need not be the case for the city of La Pine because the residentially designated lands inside the existing city limits and proposed for inclusion in the city's first urban growth boundary are irrevocable committed to urban levels of development.

(2) A decision that land has been built upon at urban densities or irrevocably committed to an urban level of development depends on the situation at the specific site. The exact nature and extent of the areas found to be irrevocably committed to urban levels of development shall be clearly set forth in the justification for the exception. The area proposed as land that is built upon at urban densities or irrevocably committed to an urban level of development must be shown on a map or otherwise described and keyed to the appropriate findings of fact.

Response:

Lands included in the city's residential inventory have either been developed at an urban density or are otherwise irrevocably committed to an urban residential density. Please see Attachment B for a map showing the area subject to this Goal 14 exception.

The exact nature and extent of the areas found to be irrevocably committed to urban levels of development is set forth in the response to the provisions of paragraph (3) below.

(3) A decision that land is committed to urban levels of development shall be based on findings of fact, supported by substantial evidence in the record of the local proceeding, that address the following:

(a) Size and extent of commercial and industrial uses;

Response:

Commercial and industrial uses do not exist and are not anticipated on the city lands designated for residential development.

(b) Location, number and density of residential dwellings;

Response:

Residential lands in the City of La Pine may be classified in three basic categories. The first category is located near the city core at its southern edge on the east side of Hwy 97. A majority of the city's multi-family residential land supply is found here and the area has been the location of urban subdivision projects in recent years. The second category is "New Neighborhood," nearly 400 acres located along the city's western edge established through Regional Problem Solving (RPS) and acknowledged by the commission as eligible for urban services and urban levels of development to serve as a receiving area for the South Deschutes County Transfer of Development Credit (TDC) Program. The third category is two residential neighborhoods along the west side of the city located both north and south of the "New Neighborhood." These lands were not included in the La Pine Urban Unincorporated Community Boundary.

1. Core Residential Area

This area is most commonly associated with La Pine "proper." It includes a total of about 260 acres planned and zoned for residential uses. The Core Residential Area has been historically viewed as a critical component of the La Pine Community as was included as part of the Urban Unincorporated Community designated by the acknowledged Deschutes County Comprehensive Plan. Lot and parcel sizes range from a single 40-acre property, many suburban sized lots averaging about 1.5 acres and recently developed subdivisions with lots from as large as 15,000 square feet in size.

The 40-acre property is adjacent to the Huntington Meadows Subdivision project and is currently being marketed as a development property. It is located along the city's southern boundary with industrial zoning being present to the east. Aerial photos suggest that the property is visually unremarkable with essentially level terrain and no distinguishable environmental issues. Ordinary native vegetation is present and the property's timber stand appears to have been thinned consistent with similar work completed on other adjacent lands. Sewer and water service is a short distance away and the property is served by public streets.

Suburban sized lots appear to be the original basis for the La Pine community as we know it today. According to Deschutes County survey records, much of this area and other nearby lands where originally acquired by the Baldwin-Herndon Oregon Trust under the Small Tracts Act administered by the United States Bureau of Land Management. In 1953, the area was platted into Government Lots by Federal Survey entitled "Supplemental Plat of Section 14" April 1953 and a subsequent Federal document entitled "Supplemental Plat" from April 1956. The two Federal plats created well over a hundred "Government Lots", most ranging in size from 1.0-2.5 acres. The Government Lots were monumented by CS 11788, performed by Raymond E. Oman in 1993. Other surveying efforts, such as the Hinkle Tract, Phase I survey have also been completed. In several cases these lots appear to have been consolidated and subdivided into urban densities as discussed below. Several partitioning exercises have occurred over the years. Generally the remaining lots are close to an acre in size with some as small as 0.25 acres and others as large as 2.5 acres. The La Pine Park and Recreation District owns and operates a park and ball field on 10 acres. Arial photos and Deschutes County Assessor records indicate that about 66 of the 95 lots are developed with dwelling units.

Between 2003 and 2008, the area received eight subdivision projects, resulting in a total of 327 lots. Huntington Meadows is by far the largest project with 208 lots installed over 10 phases. The subdivision activity is most easily expressed in the following table:

Subdivision Name	Number of Lots	Lot Size
Black Bear Meadows	10	5000-11000 sq ft
Hinkle Park	11	6000-7700 sq ft
Huntington Meadows	208	5000-8000 sq ft
Jackpine Meadows	10	7700-8500 sq ft
Peaceful Pines	18	6000-1100 sq ft
R & W Estates	12	11000-12000 sq ft
Terry Park	13	5000-9000 sq ft
Wheeler Ranch	45	8300-15000 sq ft

Table 2.

These subdivisions are developed with full urban services, including but not limited to sewer water and storm water facilities.

2. The New Neighborhood

These lands are located on the city's western side and run between the original La Pine community and an area known as Wickiup Junction, which is now also included in the city's corporate territory. The New Neighborhood area has been divided into quadrants and has been planned and zoned to receive urban levels of residential development complete with urban levels of services. The following language borrowed from the 2002 edition of the Deschutes County Comprehensive Plan provides a description of the evolution and purpose of the New Neighborhood:

23.44.010. Regional Problem Solving for South Deschutes County.

A. Overview.

In the 1960's and early 1970's, before statewide planning occurred in Oregon, over 15,000 lots were created in subdivisions platted south of Sunriver. Most of these parcels are less than two acres in size and use on-site septic systems to dispose of sewage. Many of them are located in areas where development is now restricted, such as floodplains, wetlands and areas with a high groundwater table where septic approval is unlikely.

Since 1989, Deschutes County has been the fastest growing county in the state on a percentage basis. The rural character, attractive location on or near the Deschutes and Little Deschutes Rivers, and relatively inexpensive land prices in South Deschutes County have led to a burgeoning population. The current estimated population of up to 16,000 residents (over 10,000 permanent) would make this area the second largest city in Oregon east of the Cascades were it incorporated, exceeded only by the city of Bend. Impacts to groundwater, the source of drinking water in this area, air quality, wetlands and mule deer migration and the risks to human life and property from wildfires have increased significantly over time.

In 1996, Deschutes County and the Department of Land Conservation and Development recognized that significant consequences could occur from the pattern of development

and began a collaborative project known as Regional Problem Solving Project for South Deschutes County. The Regional Problem Solving (RPS) project area encompasses approximately 42 square miles between Sunriver to the north and La Pine to the south, and includes thousands of small-subdivided lots, and some larger parcels, throughout southern Deschutes County. The attached map identifies Study Areas 1, 2 and 3 within the project area.

The RPS project area is a landscape with a geologic history that produced sediments of volcanic origin that were deposited in a basin over past eons. These conditions are the result of lava flows from the west (Cascades) and east (Newberry) that periodically dammed and shifted the course of the Deschutes River, creating the La Pine Basin, where the deposition of sediments has occurred, sometimes burying older forests. Volcanic eruptions such as the one at Mt. Mazama (Crater Lake) approximately 6,800 years ago have contributed significantly to the volume of sediment deposited in the basin. The Mt. Mazama eruption is the source of volcanic material that has formed the predominant soil in the area.

At an elevation of 4200 feet, the climate in the region is one of cool nighttime temperatures with a short frost-free summer that averages less than 100 days annually and a winter period of five or six months where snow can reside on the ground at any time. The rivers receive significant input from cool spring fed waters. The groundwater is mostly derived from snowmelt in the high Cascades to the west, and is also relatively cool.

The development of thousands of small lots in the RPS project area is therefore superimposed upon highly permeable, rapidly draining soils and a high groundwater table with relatively cold-water temperatures. The overwhelming majority of the lots are served by on-site sewage disposal systems (septic systems), including standard drain fields, cap and fill systems, and more recently sand-filter systems. Nitrates, a by-product of septic systems and an indicator of human pathogens, are poorly retained in the fast draining soils and do not easily break down due to the cool groundwater temperature.

As a result, loading of nitrates occurs in the shallow groundwater aquifer that underlies this region. The presence of a high level of nitrates is of great concern because this same aquifer is the source of drinking water for the residents in the area.

A recent US Geological Survey study of groundwater in Central Oregon concludes that groundwater in the area is connected to nearby surface waters, including the Deschutes and Little Deschutes Rivers. Through the sampling of numerous wells in the RPS project area the Oregon Department of Environmental Quality (DEQ) is predicting that nitrate in the groundwater will approach unsafe levels, principally as a result of the cumulative effect of sewage disposal with on-site septic systems, in the near future. Levels of nitrate are elevated in several localized areas within the RPS project area. However the majority of wells show very low nitrate levels at this time and surface water contamination has not been documented. Due to the existing pattern and density of development DEQ is predicting that nitrate levels will continue to increase over time, even if measures were taken now to alter the development pattern in the RPS project area. If measures are delayed much longer, the consequences could become more serious, possibly resulting in unsafe levels of nitrates in groundwater and drinking water.

More definitive information is expected to be available in the next few years, regarding the timing of nitrate movement in groundwater and the overall impact of nitrate from septic systems to groundwater and possible surface water pollution. The DEQ and Deschutes County will complete additional groundwater investigations and testing of innovative sewage treatment and disposal systems to reduce the impact on groundwater from nitrogen in household sewage, with grants from the US Environmental Protection Agency. The results from these studies will not be known for several years. Studying different approaches to on-site sewage treatment and disposal may lead to affordable technological advances that can be applied to new and possibly existing systems. In the meantime, the region will continue to grow and nitrate loading from on-site systems will continue to increase.

Some measures may need to be implemented in the future to address groundwater pollution and other impacts that could result from the development of the thousands of small size subdivided lots in South Deschutes County. The creation of a new neighborhood between La Pine and Wickiup Junction as an alternative to building fewer houses on the remaining vacant small lots appears to hold much promise. A market-driven transferable development credits program could assist in the redirection of growth from the existing subdivisions into this new neighborhood.

A development standard or sewage disposal rule that requires an effective lot area of 1.5 acres for new dwellings served by an on-site septic system may need to be considered. The acreage requirement would need to be based on the long-term balance between nitrate loading from septic systems and dilution from precipitation that infiltrates the land. An effective lot area should include contiguous or non-contiguous vacant land within a specified distance from the proposed building site.

For these reasons, Deschutes County has determined that it is appropriate to adopt comprehensive plan goals and policies to recognize the importance in protecting groundwater and other resources and the need to continue to work on the Regional Problem Solving project for South Deschutes County.

B. Nitrates - Health and groundwater impacts; septic system impacts and studies.

High levels of nitrates in drinking water are a cause of methemoglobinemia (blue baby syndrome) in infants and have been linked to cancer and weakening of immune system in the elderly. Recent epidemiologic studies indicate that chronic long-term exposure to low levels (2.5 mg/L) of nitrates can increase the risks for certain types of cancers. Nitrate levels are often used as an indicator for the transmission capabilities of other pathogenic

agents. Surface waters are very sensitive to eutrophication by the addition of nutrients; nitrate is an indicator of nutrient loading.

A natural background level of nitrates would be less than 1 mg/L. The Environmental Protection Agency (EPA) has set the safe water drinking standard (Maximum Contaminant Level or MCL) for nitrate at 10 mg/L. The DEQ is required to declare a region a Groundwater Management Area if nitrate concentration reaches 7 mg/L. This would require a plan to protect and restore groundwater quality. Deschutes County Planning and Environmental Health are only slightly ahead by starting and developing their plans proactively.

On-site septic systems are the only significant source of nitrates in the La Pine sub-basin. The La Pine sub-basin has many conditions that allow for little denitrification of wastewater to occur: rapidly draining soil, shallow, well oxygenated groundwater, very short growing season, cold temperature, not much hydraulic gradient. Most of the development has taken place in the very bottom of the sub-basin over shallow groundwater and on small lots served by wells from an unconfined aquifer.

In 1980-81 contamination of the aquifer from septic systems had already occurred in the La Pine core area as of 1980-81 (La Pine Aquifer Management Plan, Century West, 1982). A community sewer system was required to remedy the situation. A 1995 well monitoring study by DEQ showed that after 11 years of sewer, the nitrate levels in the La Pine core area had receded but were still at "unsafe levels." This is an indication that the recovery time for the aquifer is lengthy.

The 1995 monitoring study also revealed the existence of five areas in the RPS project area, not including the core area of La Pine, where nitrate levels are greater than usual background levels. Nitrate levels are as high as 4.8 to 5.9 mg/L in three of these areas and as high as 3 mg/L in the other two.

The 1995 monitoring study was part of a modeling effort by the DEQ to estimate the impact of septic systems on the groundwater. The initial results of the model indicate that at existing (1994) development the aquifer would reach nitrate levels of 7 mg/l by 2005. Since the collection of samples in 1994 there are approximately 700 additional residences in the RPS project area using on-site septic systems. The model is limited because it is two-dimensional and does not account for flow in or out of its boundaries.

A grant from the US Environmental Protection Agency will allow significant work to begin in 1999 to help with a solution to the problem of high nitrate levels. The primary purpose of the grant is to study new technologies in on-site septic systems. Part of the grant will be used to continue increasing the groundwater monitoring network and complete additional analysis of nitrate movement in the groundwater using a three dimensional model.

The innovative septic system program was started in 1998 through the RPS project and DEQ grant funding and is expected to increase significantly with the new federal grant.
The purpose is try new technologies that appear to be capable of reducing nitrate levels. Besides nitrate reduction there are many other aspects of new technology that need to be examined before widespread applications for the general public can occur.

Over the past five years the US Geological Survey (USGS) has developed a groundwater flow model of the entire Upper Deschutes Basin. The model will be used as the basis for an analysis of the impacts of nitrates from on-site systems to help answer the following three questions:

1. Where should additional monitoring wells be set up for continuous monitoring of nitrate plumes from residential development?

2. What density does development need to be set at to minimize impact on groundwater quality?

3. What variations of impact due to location are there in the La Pine sub-basin?

The DEQ rules require a minimum of an acre for standard system and a half-acre for pressure or sand filters in rapidly draining soils. This is a statewide rule and the authors were probably looking at rainfall amount from a typical Willamette Valley year to provide dilution.

Mixing wastewater from a typical single-family residence with the recharge provided by yearly precipitation in Southern Deschutes County, it requires 2.5 acres for a standard system and 1.5 acres for a sand filter to maintain a recharge concentration at or below 7 mg/l. This estimate is on the conservative side because it does not account for inflow, outflow, or upflow from other areas.

Areas such as Fall River Estates, Wild River and Ponderosa Pines do not require as much acreage to achieve an adequate amount of mixing and dilution of nitrates because they are located in areas of higher precipitation at the western edge of the aquifer. Also, the aquifer gradient is steeper resulting in more dilution due to higher groundwater flow rates. La Pine and portions of Oregon Water Wonderland and Stage Stop Meadows subdivisions served by sewer systems are also not contributing to the overall nitrate-loading problem in the region.

C. Legislation.

In October 1998, Congress passed legislation to assist Deschutes County in purchasing a 540-acre tract of land from the Bureau of Land Management. This tract is located between La Pine and Wickiup Junction, west of Highway 97 and east of Huntington Road. A sewer line between the communities of La Pine and Wickiup Junction runs through the property.

This property is intended to be the site of a new neighborhood that will be serviced by sewer and water systems, and paved roads. Residential use will predominate, although

community needs such as a senior center, library, assisted living facility and limited neighborhood commercial uses may be developed. A design process known as a "charette" occurred in November 1998. This design workshop occurred over a three-day period with the participation of over 80 people from the community.

The initial design encompasses a neighborhood primarily residential in character with sewer, water and a road network of paved streets and access roads without curbs. A setback of 300 feet from Highway 97 has been incorporated into the eastern boundary of the design. A senior center and assisted living facilities are included in the southern part of the property adjacent to the community of La Pine. This preliminary design will be evaluated to determine lot sizes and density, development costs, phasing of development and the ability to use transferable development credits as a tool for the overall development of the new neighborhood.

D. Transferable development credits.

A TDC (Transferable Development Credit) Program has been developed to redirect some of the future development of residential dwellings from lots served by on-site sewage disposal (septic) systems to the residentially zoned districts in the Neighborhood Planning Area in the La Pine UUC that will be connected to water and sewer systems.

A TDC is a severable interest in real property that represents the right to construct a single-family dwelling and an on-site sewage disposal system. The TDC program code has been adopted in compliance with the provisions of ORS 94.531.

The essential elements of the TDC program are to be codified in DCC Title 11, County Owned Land and Property, of the County Code. The TDC program is intended to redirect some of the future residential growth from existing subdivisions in South Deschutes County, also identified as the "sending area" where TDC's are allocated to eligible lots, into the Neighborhood Planning Area, also referred to as the "receiving area" where TDC's are required to be redeemed based on a net developable acreage formula. If successful the TDC program will reduce the overall impact from development in flood plains, wetlands, deer migration corridors and areas susceptible to groundwater pollution from nitrates. It will also help to maintain open space and preserve the rural character of the area by reducing the overall density of development that would otherwise exist in the future if a dwelling were built on every legal lot. In the sending area the TDC program will operate in a voluntary, market-driven manner. Those property owners who choose to sell their TDC's will retain ownership of the underlying land on which certain uses, such as camping, wood cutting, vegetation management, agricultural use and construction of a small storage structure will be allowed. A Conservation Easement will be placed on the property that will prohibit the construction of a single-family dwelling and on-site sewage disposal system on the property. Property owners who sell their TDC's and enter into a Conservation Easement restricting future uses on their property may elect to sell the deed for the underlying property to a willing buyer.

E. Public participation.

The RPS project has involved all aspects of the community, including property owners, interest groups, public agencies and government at the local, state and federal levels. Over 20 stakeholder meetings and 5 public forums were held. Eight newsletters and other mailings have been sent out to an extensive mailing list of property owners and other interested individuals, community organizations and local governments. The local press has covered this topic with a number of articles and news reports on several occasions.

According to written surveys the top three priorities for the residents of South Deschutes County are: (1) to retain open space to maintain the rural character of the area; (2) to not allow septic systems in areas of high groundwater; and, 3) to allow for experimentation with alternative methods of sewage disposal. Among the least favored options was extending sewer throughout the region due to the high cost associated with this expansion. However, several small sewer systems exist in the region and people commented and testified at public meetings and hearings that the option of using sewer systems to dispose of sewage should continue to be explored.

To ensure that public involvement was as great as possible regarding proposed amendments in 1998 to the comprehensive plan and zoning ordinance, an additional newsletter was mailed that contained a notice of public hearings before the Deschutes County Planning Commission and the Board of County Commissioners. The newsletter also described various aspects of the RPS program, characterized design elements of the new neighborhood as a result of the design charette and encouraged people to attend a community workshop held in early December to learn more about the amendments. This newsletter was mailed to over 5,000 property owners, including the owners of all lots in the RPS project area which are zoned RR-10 and less than 2 acres in size, and the stakeholders, interest groups, agencies, etc., who had previously participated or expressed an interest in the RPS project.

More detailed information about the RPS project including information on nitrates, experimental on-site technology, alternative solutions, transferable development credits and a bibliography of the studies and other sources of information used to analyze the region's problems and to formulate solutions was made available at the hearings.

F. LCDC Acknowledgement.

In September 2000 the Oregon Land Conservation and Development Commission (LCDC) conducted a hearing and approved the County's request to expand the La Pine UUC to include the area formerly recognized as the Wickiup Junction Rural Service Center and the New Neighborhood area. The Neighborhood area includes a tract of land the County purchased from the Bureau of Land Management and a privately owned parcel.

LCDC also approved the County's comprehensive plan designation and rezoning of the area added to the La Pine UUC from resource lands zoned exclusive farm use to various

planning districts that allow for the creation of a residential subdivision served by municipal water and sewer systems and paved roads."

As of this writing, the Newberry Neighborhood has fulfilled a portion of its potential. Three phases of the Crescent Creek Development have resulted in establishing 108 lots ranging in size from 3,500 to about 9,000 square feet. The majority of the remaining property is retained in county ownership.

3. <u>Residential Neighborhoods</u>

In addition to residential lands near the city's core and the New Neighborhood, residential lands exist at two other locations. These areas are primarily comprised of developed or partially developed low density subdivisions. Neither area was included in the La Pine Unincorporated Community Boundary designated in the acknowledged Deschutes County plan. One area is located at the city's northernmost boundary, west of Hwy 97, and for purposes of this document will be referred to as the "Northern Residential Area." The city's other residential lands are due west of the core area along the city's southwest boundary. For purposes of this document these lands are referred to as the "Old Town Residential Area."

a. Northern Residential Area

The Northern Residential Area includes the Cagle Subdivision, the Pine Place neighborhood, Potters Estates and the Glenwood Acres neighborhood. The Cagle Subdivision was developed over Eight Phases between 1958 and 1967. It is the city's largest existing subdivision with 275 lots. All of the lots are about an acre in size and nearly all are developed with a residence. Aerial photos indicate that the Cagle subdivision is almost entirely built out. Deschutes County Assessor's records identify 23 lots that have not been assigned an address. The absence of an address indicates a vacant lot. Some lots have been assigned addresses that include some level of physical improvement rather than a home. Randomly checking the types of development on addressed properties allows the city to project that at least 90% of addressed lots in the Cagle Subdivision are occupied by dwellings. In other words, the city finds that 227 of the 275 lots are occupied by dwellings

The Pine Place neighborhood and Potter Estates are both located immediately west of the Cagle Subdivision, along the city's northwestern boundary. Potter Estates is a small subdivision of just four lots platted in 1994. Each lot is just under 10 acres in size and three of the four lots are developed with homes. The Pine Place neighborhood is a portion of the Lazy River South Subdivision, which was platted in 1968. It is located east of Huntington Road, generally south of Cagle Road. The neighborhood currently contains nine lots and parcels with six homes.

The final piece of the Northern Residential area is the Glenwood Springs neighborhood. These lands are not contiguous to the three other components of the Northern Residential Area. Instead, they lay about one quarter mile west of the Cagle Subdivision. They are bisected by Huntington Road and due south of Burgess Road. The westernmost lots in this neighborhood have frontage on the Little Deschutes River. The lands west of Huntington Road where platted as the Glenwood Acres Subdivision in 1963 and the First Edition to Glenwood Acres in 1964 and are

nearly all lest than an acre in size. Those lands to the east of Huntington Road are not part of a recorded subdivision plat and are generally from 1.25 to 2.5 acres in size. All together the Glenwood Acres neighborhood adds up to 81 tax lots. Aerial photos and Deschutes County Assessor records indicate the presence of about 65 single family dwellings.

Neighborhood or Subdivision	Number of Lots	Number of Homes	Size of lots	Estimated Num- ber of Citizens
Cagle Subdivision	275	227	1.0 AC	386
Pine Place	9	6	1.1-5.0 AC	10
Potter's Estates	4	3	9.74 AC	5
Glenwood Acres	81	65	0.72.5 AC	110
Totals	369	301	1.17 (av)	511

Table 3.

Table 3 demonstrates that: 1) the Northern Residential Area is over 80% developed; 2) several hundred lots exist in the North Residential Area that are about an acre in size. Some lots are a little larger and some are a little smaller but almost all of the 369 lots are about an acre in size. The only significant departure is in Potter's Estates where all four lots are just under 10 acres in size. Potter's Estate's was platted in 1994, thirty or more years after the other subdivisions where created. Unlike the earlier subdivisions, Potter's Estates was subject to the provisions of the Deschutes County Comprehensive Plan and Development Code, which required a 10 acre minimum lot size. To say it another way, almost all of the 369 existing lots are quite small and old.

OAR 660-004-0040 guides planning and zoning decisions for rural residential areas. This rule was promulgated in 2000 to respond to the Oregon Supreme Court's holding in the notorious *Curry County* case. Please see *1000 Friends of Oregon v. Curry County and LCDC, 1986.* The heart of OAR 660-004-0040 states that new rural residential areas must have a minimum lot size of 10 acres. The rule also required that any existing rural residential lands with a minimum parcel size of less than 2-acres as of the effective date of the rule must be raised to at least 2-acres. Comparing the average lot size in the North Residential Area and the minimum requirements articulated in the administrative rule shows that the existing density is far, far greater that allowed for rural residential development. Therefore, it is not reasonable to consider these lands "rural" for purposes of Goal 14.

Finally, the current residential vacancy rate and the average household size for single-family attached dwellings identified in the 2010 census and the La Pine Comprehensive Plan are 26% and 2.3, respectively. When these figures are applied to the North Residential Area an estimated population of 511 citizens is the result. This number represents a significant portion of the city's population. Over 30% of the city's 2009 population of 1697 is estimated to reside in the North Residential Area.

b. Old Town Residential Area

The Old Town Residential Area is comprised of platted subdivisions. The area is separated from the developed area along Hwy 97 by a wet meadow that has long been identified with the community and is identified on the city's plan map as "Flood Plain". The city's comprehensive plan identifies flood plain and associated wetland areas as being environmentally sensitive and targets them for protection from conflicting uses.

Research into the Old Town Residential Area illustrates the community's frontier origins and helps to explain its pioneer spirit. Available literature¹ identifies that settlers where attracted to the La Pine area in the final third of the 19th century due to Federal policy including the Homestead Law of 1862 and the Carey Land Act. Possibilities in railroad development and public investment in the Central Oregon Military Road both created economic opportunity and increased interest for the area that became south Deschutes County.

Construction of the Central Oregon Military Road brought the Surveyor General of Oregon, Byron Johns Pengra, to the region. Mr. Pengra chose to remain and file a homestead claim. Near the turn of the century a north-south wagon road was surveyed through the La Pine basin. The road was named for Mr. Pengra and J.W. Perit Huntington who served as the Oregon Superintendent of Indian Affairs. The Pengra Huntington Road, usually shortened to "Huntington" Road remains an important route for travel in the region. Pengra Road is located on the city's' southwestern boundary, adjacent to the Old Town Residential Area.

The railroad speculation and homesteading efforts made the region a candidate for a large irrigation project. The Morson Project facilitated by the Carey Land Act was anticipated to irrigate 28,000 acres by 1914. Township rights for the Morson Project where obtained by Portland, Oregon business men Alfred Aya, James Gleason and W.R. Riley who joined to form the La Pine Townsite Company.

In 1910, the Plat of La Pine was filed in Crook County² by the La Pine Townsite Company as two documents. The original subdivision platting created 23 blocks divided into lots of three sizes. There were 311 lots in the southeast portion of the subdivision, allt of which were 25 feet by 100 feet or 2,500 square feet in size, with mid-block alleys. There were 162 lots in the center area of the subdivision that were 50 feet by 100 feet or 5,000 square feet in size, with mid-block alleys. In addition, 45 lots on the subdivision's west side were 50 feet by 175 or 8,750 square feet. The eastern portion of the subdivision is occupied by the wet meadow mentioned above and has remained largely undeveloped.

The eastern most portion of the subdivision, consisting of about 303 lots, nearly all 2,500 square feet in size, was included in the La Pine Unincorporated Community boundary and zoned for commercial uses.

¹ Historical information for this section has been largely gathered from "A Historical Look At La Pine Oregon" written by Robert Metcalf.

² Deschutes County was created from Crook County on December 13, 1916. Prior to that date the La Pine community was included in Crook County.

The La Pine Townsite Company filed the First Addition to La Pine in 1912. The company's second subdivision was located west and northwest of the original Plat of La Pine. The First Addition to La Pine created 330 subdivision lots measuring 50 feet by 125 feet, or 6,250 square feet with mid-block alleys. About 10 acres immediately south of 1st Street and between Pengra Street and Paulina Street were dedicated as the Union High School Park.

Construction on the Morson Project suffered financial difficulties and stalled, failing to deliver irrigation water to the La Pine Community by 1914. Interest in the project was renewed in 1919 when Frank W. Tomes proposed to take it on. Mr. Tomes was reportedly willing to invest \$30,000 in capital improvements and predicted that 10,000 acres of land would be irrigated by 1920. In 1921, presumably in anticipation of the irrigation project's completion, Mr. Tomes filed "Tomes Edition" to the La Pine Townsite.

By 1921, the La Pine area was part of Deschutes County. The Tomes Addition subdivision project was located in the city's southwest corner and is bounded by Pengra Street on the west and Sixth Street on the south. This project created 114 lots, nearly all measuring 50 feet by 125 feet, or 6,250 square feet with mid-lot alleys. Blocks 13, 14, 16 and 18 on the projects eastern edge where not divided into lots. It is not clear from the plat what the intended purpose on these four blocks might have been.

Table 4.

Subdivision Name	Year Platted	Number of Lots	Size of lots
Plat of La Pine	1910	303 (518 total)	2,500-8,750 sq ft
La Pine First Addition	1911	330	6,250 square feet
Tomes Addition	1921	114	6250 square feet
Totals		747	Ave. 5,000 +/- sq ft

Table 4 above shows that the subdivision activity in the Old Town Residential Area resulted in the creation of 962 residential lots between 1910 and 1921. The promise of an irrigation project never came to pass. The coming of the railroad, development and development of Hwy 97 seemed to shift development pressure slightly to the east. Over time, these lots have been bundled together to create tax lots ranging in size from 0.23-acres to about 2.5-acres. The wet meadow remains as valuable open space for the community and provides a variety of environmental and ecological functions. Much of the other lands have taken on levels of residential development that resemble densities found in the North Residential Area.

(c) Location of urban levels of facilities and services; including at least public water and sewer facilities; and

Response:

Urban levels of facilities and services are available to citizens of the city of La Pine.

Community Governmental Services

La Pine operates through a City Manager-Council form of government. The City Council hires the City Manager, creates policy and programs, and adopts a city budget supporting various municipal functions. The City Manager is responsible for hiring staff, responds to Council requirements, and manages the day-to-day functions of the local government and services, and plans for the future needs of the community. However, the City does contract with Deschutes County, and outside consultants and service providers for some basic and required community functions – such as planning/zoning, law enforcement, administration and legal counsel. This is due to the newness of the City and the limited staffing/resources currently available.

Emergency Response Services

The City of La Pine contracts for law enforcement with the Deschutes County Sheriffs Department. Fire protection is funded by a separate Fire District budget – the La Pine Fire District. Services are provided to citizens throughout the urban area. The departments are consulted on new land use applications (via Deschutes County Community Development Department), which are examined in the context of services needed to support new development.

Health Services

The City of La Pine is served by a satellite office of the Deschutes County health Department, primarily mental health and children's and community services, as well as a private clinic. The City and surrounding area do not have a hospital or emergency medical services – the nearest such services are in Bend, approximately 30-miles to the north. Medical uses are permitted in the local commercial zones.

Recreation Facilities and Services

The City of La Pine is served by the La Pine Park and Recreation District. The District provides services to the City of La Pine and surrounding rural residential area. The District has an adopted Comprehensive Plan that anticipates community needs and anticipated growth of the area. The District is funded by a newly voter approved tax base, as well as grants and other sources of private funding.

Public Street Systems

The City of La Pine, Deschutes County and the State of Oregon Department of Transportation (ODOT) provide and maintain various streets throughout the City and outlying area (as such streets interconnect). However, the City of La Pine currently has limited funds for street improvements and/or maintenance. Deschutes County maintains some streets via intergovernmental agreement with the City and ODOT maintains U.S. Highway 97 that bisects the City. La Pine does not currently have a Transportation System Plans (TSP). The Deschutes County TSP, which includes the area within City limits, currently serves as the City Transportation Plan and will continue to do so until the City adopts a separate TSP in 2012.

Public Water Systems

The La Pine Water District provides water source, disinfection, distribution and maintenance of a water delivery system to approximately 650 customers. The service area includes most, but not all of the area within the City limits. The District does have plans for expansion of the system to

serve all of the urban area, dependent upon adequate funding sources. Their plan identifies existing community needs, how to accommodate anticipated growth, reduction in private well heads, aquifer protection, land acquisition for new municipal well heads, reservoir siting and land needed for treatment and storage. Additional resource information from the Oregon Department of Environmental Quality can be found in the appendix. This information shows the City source in relationship to distance from other sources and the relationship of water compared to time travel from the source and/or other influences.

Public Sewer Systems

The La Pine Sewer District provides collection and treatment to more than 650 customers. The service area includes most, but not all of the area within the City limits. The District does have plans for expansion of the system to serve all of the urban area, dependent upon adequate funding sources. Their plan identifies existing community needs, necessary capital improvements, funding and implementation, accommodation of new growth, reduction in septic fields, new connections and future land needs for the community treatment plant.

Public Schools - Bend-La Pine School District

The Bend-La Pine School District currently operates La Pine High School, La Pine Middle School and La Pine Elementary. There are plans for a new elementary school to be built on the south side of Burgess Road in the Newberry Neighborhood as the develops over time (this was anticipated to be built for half enrollment (300 students) in 2010, with completion for a total enrollment of 600 students by 2015. Overall, the enrollment of the La Pine schools has grown, mostly as a result of residential development and growth in the outlying rural area between La Pine and Sunriver to the north. La Pine Elementary serves kindergarten through 4th grade with an enrollment of approximately 475 students. La Pine Middle School serves 5th through 8th grades with an enrollment of approximately 520 students. La Pine High School serves 9th through 12th grades with an enrollment of approximately 540 students. Discussions with the school district superintendent John Rexford reveal that they have no plans within the next 20 years to develop additional schools within the City limits or UGB. The School Facility Plan is incorporated into this document and can be found in the Appendix and restated as part of the chapter discussing Goal 14.

Library

The La Pine Public Library is a relatively new structure, which opened in November, 2000. This is a full service library with on-site book collections ranging from children's through adult sources. The library also has internet connection with on-site PC's available to the public. The library is part of the Deschutes Public Library System

Solid Waste Collection and Disposal

La Pine's citizens have access to waste disposal service via Wilderness Garbage Company or self service at the Deschutes County Transfer Station, north of the city limits.

Storm Water Collection and Distribution

The City of La Pine does not have any municipally maintained storm water facilities. Storm runoff, including significant snowmelt, is accommodated in roadside drainage ditches and al-

lowed to percolate into the soil. However, new development on private property is required to meet all DEQ standards for storm water retention, treatment, and dispersal. Paved streets in new subdivisions are required to include storm water retention facilities in the form of drywells that also meet DEQ standards.

Electric Power

Electric power in La Pine is provided by Mid-State Electric Co-op. The City provides access to right of way and franchise availability to these service providers. Mid-State utilizes a master plan for determining new substation areas and other elements necessary to accommodate anticipated growth.

Natural Gas

Natural gas is provided to urban area residents by Cascade Natural Gas. The City provides access to right of way and franchise availability for new extensions. Cascade Natural Gas utilizes a master plan for determining new substation areas and other elements necessary to accommodate anticipated growth. Propane is supplied by multiple private entities that serve Central Oregon.

Telecommunications, Phone and Internet Services

Qwest and a variety of private wireless phone and internet providers primarily serve the community. Deregulation of the telephone service, satellite access and other advances in telecommunications allow La Pine residents a wide range of phone and Internet connection choices. Wireless access will also be expanding to serve local citizens.

Television, Radio, Cable and Fiber Optic Services

Cable TV service provides access to premium and nationwide broadcasts. Radio stations include a variety of local AM/FM stations that provide news and entertainment. Fiber optic access is expanding throughout the community and of particular importance for public, commercial and industrial users.

(d) Parcel sizes and ownership patterns.

As discussed in the response to paragraph (b) above, the city's residential lands have hosted development since near the end of the nineteenth century. Lot and parcel sizes range from less than 4,000 square feet in the New Neighborhood to a single 40-acre parcel in the Core Area. Most of the city's residential lands where included in the La Pine Unincorporated County in the acknowledged Deschutes County Comprehensive Plan and have been planned and zoned to receive urban levels of residential development with full urban services since before the city's incorporation.

Residential lands not originally included in the La Pine Unincorporated Community are generally developed at densities of near one dwelling per acre, or 200% of the development allowed pursuant to OAR 660-004-0040.

While the city's residential lands where originally controlled by a handful of different owners more than a century of subdivision activity and land sales have dissolved all of the significant ownerships. Tracts of lots and parcels in contiguous ownership rarely exceed three acres. The city's largest residential land owner is Deschutes County who continues to serve as custodian for the majority of the New Neighborhood property.

(4) A conclusion that rural land is irrevocably committed to urban development shall be based on all of the factors listed in section (3) of this rule. The conclusion shall be supported by a statement of reasons explaining why the facts found support the conclusion that the land in question is committed to urban uses and urban level development rather than a rural level of development.

Response:

The city concludes that the residential lands included in its corporate city limits are irrevocably committed to urban development. The city reaches this conclusion based on all of the factors listed in section (3) of this rule listed above. Therefore, an exception to Goal 14 is justified to relieve the city from exclusively relying on its coordinated population forecast to justify the amount of residential land to be included in the designation of its first urban growth boundary.

The Core Residential Area and the New Neighborhood described as items (3)(b) 1. and 2. above, are irrevocably committed to urban levels of development because they where included in the La Pine Unincorporated Community prior to incorporation. The La Pine Unincorporated Community was an Urban Unincorporated Community designated pursuant to OAR Chapter 660, Division 22. Urban Incorporated Communities are eligible for full levels of urban residential development and full levels of urban facilities and services. Failing to include these two areas inside the city's urban growth boundary would result in one of two inexplicable situations.

One situation would be that the lands are not included in the urban growth boundary and planned and zoned for rural uses. This would be absolutely nonsensical and would serve to unnecessarily down zone the areas from what had been available prior to incorporation. It would probably be the only time in history that lands had been down zoned due to being made part of a city's corporate territory. This situation would also threaten to unravel all the work done in the La Pine Regional Problem Solving effort that led to Deschutes County's purchase of lands that became designated for the New Neighborhood and make the city vulnerable to numerous Measure 49 claims.

The other situation is also nonsensical. This would essentially maintain the existing planning and zoning opportunities to develop the lands at urban residential densities and full urban services, including but not limited to both sewer and water. The result would be to have lands inside the city limits that are planned and zoned for urban residential development that reside outside the city's urban growth boundary.

The Residential Neighborhoods described as item (3)(b) 3.above, are irrevocably committed to urban levels of development because they are developed at densities that current state policy finds unacceptably high for rural areas, they include a significant portion of the city's population base and they are cornerstones of the community's origins.

As identified above, the Northern Residential Area is includes an estimated 301 single-family homes on 369 lots, which represents a build out of 81.5%. Lots in the area average about 1.17-acres in size, nearly twice as small as allowed for in existing rural residential area and about one tenth the size allowed for new rural residential exception areas. Furthermore, an estimated 511 citizens reside in the area making up more than 30% of the city's population base.

The Old Town Residential Area includes the lands originally platted as the La Pine townsite. Much of the community's history is ingrained in the area. The town's early leaders clearly viewed these lands as a pivotal part of the community as they platted nearly 750 lots (over 900 lots if those included in the La Pine Unincorporated Community are counted) in three subdivisions between 1910 and 1921. Had the efforts and investment of individuals like B.J. Pengra, Frank Tomes and the members of the La Pine Townsite Company resulted in an east-west rail line and a 20,000-acre irrigation project as anticipated by the Morson Project the Old Town Residential Area would no doubt be fully developed. In fact, had these projects been completed the city may have incorporated decades ago.

However, the transportation and irrigation projects promoted in the late 1800s and early 1900s were not constructed. Rather than build out, the Old town Residential area received development around its edges. This settlement pattern more than likely saved the wet meadow, which has become part of the community's identify and an important Goal 5 feature.

Failing to include the Residential Areas in the city's urban growth boundary would create multiple undesirable conditions. Arranging the urban growth boundary to preclude lands occupied by more than 30% of the city's population turns the notion of urban planning on its head and would certainly challenge the city in providing services to its citizens. It would also create a situation by which lands already developed at a suburban or nonrural density would be included inside a city limits but outside an urban growth boundary. If these areas are not rural it only makes sense that they are included as urban or urbanizable lands. Environmentally and ecologically sensitive areas like the wet meadow can be best managed by through an active urbanization strategy that considers the area as a whole and is capable of protective safeguards to maintain these important community features.

(5) More detailed findings and reasons must be provided to demonstrate that land is committed to urban development than would be required if the land is currently built upon at urban densities.

Response:

The city's residential lands are committed to urban development. Most of the city's residential lands were planned and zoned for urban levels of residential development with urban services prior to its incorporation. Other city residential lands are physically developed at levels well beyond what current land use policy would permit on rural lands and are viewed as important community assets. This document provides a factual basis that clearly justifies why the proposed Goal 14 exception should be approved.

V. <u>Final Conclusion.</u>

Based on the facts and evidence included in this document and the findings and conclusions stated above an exception to Goal 14 is justified. The city of La Pine may include all of the lands located inside the city limits and designated for residential development in its urban growth boundary.

VI. List of Attachments.

- A. Statewide Planning Goal 14.
- **B.** Map of La Pine Residential Lands.
- C. Old Town Residential Area Subdivision Plats.

ATTACHMENT A

Oregon's Statewide Planning Goals & Guidelines

GOAL 14: URBANIZATION

OAR 660-015-0000(14)

(Effective April 28, 2006)

To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

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, 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 (2).

In determining need, local government may specify characteristics, such as parcel size, topography or proximity, necessary for land to be suitable for an identified need.

Prior to expanding an urban growth boundary, local governments shall demonstrate that needs cannot reasonably be accommodated on land already inside the urban growth boundary.

Boundary Location

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.

Urbanizable Land

Land within urban growth boundaries shall be considered available for urban development consistent with plans for the provision of urban facilities and services. Comprehensive plans and implementing measures shall manage the use and division of urbanizable land to maintain its potential for planned urban development until appropriate public facilities and services are available or planned.

Unincorporated Communities

In unincorporated communities outside urban growth boundaries counties may approve uses, public facilities and services more intensive than allowed on rural lands by Goal 11 and 14, either by exception to those goals, or as provided by commission rules which ensure such uses do not adversely affect agricultural and forest operations and interfere with the efficient functioning of urban growth boundaries.

Single-Family Dwellings in Exception Areas

Notwithstanding the other provisions of this goal, the commission may by rule provide that this goal does not prohibit the development and use of one single-family dwelling on a lot or parcel that:

(a) Was lawfully created;

(b) Lies outside any acknowledged urban growth boundary or unincorporated community boundary;

(c) Is within an area for which an exception to Statewide Planning Goal 3 or 4 has been acknowledged; and

(d) Is planned and zoned primarily for residential use.

Rural Industrial Development

Notwithstanding other provisions of this goal restricting urban uses on rural

land, a county may authorize industrial development, and accessory uses subordinate to the industrial development, in buildings of any size and type, on certain lands outside urban growth boundaries specified in ORS 197.713 and 197.714, consistent with the requirements of those statutes and any applicable administrative rules adopted by the Commission.

GUIDELINES

A. PLANNING

1. Plans should designate sufficient amounts of urbanizable land to accommodate the need for further urban expansion, taking into account (1) the growth policy of the area; (2) the needs of the forecast population; (3) the carrying capacity of the planning area; and (4) open space and recreational needs.

2. The size of the parcels of urbanizable land that are converted to urban land should be of adequate dimension so as to maximize the utility of the land resource and enable the logical and efficient extension of services to such parcels.

3. Plans providing for the transition from rural to urban land use should take into consideration as to a major determinant the carrying capacity of the air, land and water resources of the planning area. The land conservation and development actions provided for by such plans should not exceed the carrying capacity of such resources.

4. Comprehensive plans and implementing measures for land inside urban growth boundaries should encourage the efficient use of land and the development of livable communities.

B. IMPLEMENTATION

1. The type, location and phasing of public facilities and services are factors

which should be utilized to direct urban expansion.

2. The type, design, phasing and location of major public transportation facilities (i.e., all modes: air, marine, rail, mass transit, highways, bicycle and pedestrian) and improvements thereto are factors which should be utilized to support urban expansion into urbanizable areas and restrict it from rural areas.

3. Financial incentives should be provided to assist in maintaining the use and character of lands adjacent to urbanizable areas.

4. Local land use controls and ordinances should be mutually supporting, adopted and enforced to integrate the type, timing and location of public facilities and services in a manner to accommodate increased public demands as urbanizable lands become more urbanized.

5. Additional methods and devices for guiding urban land use should include but not be limited to the following: (1) tax incentives and disincentives; (2) multiple use and joint development practices; (3) fee and less-than-fee acquisition techniques; and (4) capital improvement programming.

6. Plans should provide for a detailed management program to assign respective implementation roles and responsibilities to those governmental bodies operating in the planning area and having interests in carrying out the goal.





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SECTION 15 T.22 S. R. IO E.W.M.

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LA PINE CITY LIMITS

BOUNDARY DESCRIPTION OF THE PROPOSED 2006 LA PINE CITY LIMITS

A PARCEL OF LAND LYING IN SECTIONS 35 AND 36 OF TOWNSHIP 21 SOUTH, RANGE 10 EAST, WILLAMETTE MERIDIAN, DESCHUTES COUNTY, OREGON; SECTIONS 1, 2, 10, 11, 12, 13, 14 AND 15 OF TOWNSHIP 22 SOUTH, RANGE 10 EAST, WILLAMETTE MERIDIAN, DESCHUTES COUNTY, OREGON; AND SECTION 7 OF TOWNSHIP 22 SOUTH, RANGE 11 EAST, WILLAMETTE MERIDIAN, DESCHUTES COUNTY, OREGON, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SECTION THIRTY-SIX (36), ALSO BEING COMMON TO SECTIONS TWENTY-SIX (26), TWENTY-FIVE (25), AND SECTION THIRTY-FIVE (35), TOWNSHIP TWENTY-ONE (21) SOUTH, RANGE TEN (10) EAST, OF THE WILLAMETTE MERIDIAN, DESCHUTES COUNTY, OREGON; THENCE ALONG THE NORTH LINE OF SAID SECTION THIRTY-SIX (36), SOUTH 89° 10' 08" EAST, 2563.61 FEET, TO THE NORTH ONE-QUARTER (1/4) CORNER BETWEEN SAID SECTIONS TWENTY-FIVE (25) AND SAID SECTION THIRTY-SIX (36); THENCE CONTINUING ALONG SAID NORTH LINE NORTH 89° 38' EAST, 2614.24 FEET, TO THE NORTHEAST CORNER OF SAID SECTION THIRTY SIX (36); THENCE ALONG THE EAST LINE OF SAID SECTION THIRTY-SIX (36), SOUTH 00° 50' 58" EAST, 2638.14 FEET, TO THE EAST ONE-QUARTER CORNER OF SAID SECTION THIRTY-SIX (36); THENCE CONTINUING ALONG SAID EAST LINE SOUTH 00° 51' 21" EAST, 2636.61 FEET, TO THE SOUTHEAST CORNER OF SAID SECTION THIRTY-SIX (36), SAID SOUTHEAST CORNER ALSO BEING THE NORTHEAST CORNER OF SECTION ONE (1), TOWNSHIP TWENTY-TWO, (22) SOUTH, RANGE TEN (10) EAST, OF THE WILLAMETTE MERIDIAN: THENCE SOUTHERLY ALONG THE EAST LINE OF SAID SECTION ONE (1) 5280 FEET MORE OR LESS, TO THE SOUTHEAST CORNER OF SAID SECTION ONE (1), SAID SOUTHEAST CORNER ALSO BEING THE NORTHWEST CORNER OF SECTION SEVEN (7), TOWNSHIP TWENTY TWO (22), SOUTH, RANGE ELEVEN (11) EAST, WILLAMETTE MERIDIAN; THENCE ALONG THE NORTH LINE OF SAID SECTION SEVEN (7), NORTH 89° 31' 58" EAST, 2426.70 FEET TO THE NORTH ONE-QUARTER (1/4) CORNER OF SAID SECTION SEVEN (7); THENCE ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION SEVEN (7), SOUTH 00° 00' 12" EAST, 3,980.90 FEET TO THE CENTER SOUTH ONE-SIXTEENTH (1/16), CORNER; THENCE ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER (SW1/4 SE 1/4) OF SAID SECTION SEVEN (7), SOUTH 89° 51' 05 EAST, 1331.78 FEET TO THE SOUTHEAST ONE SIXTEENTH (1/16), CORNER OF SAID SECTION SEVEN (7); THENCE ALONG THE EAST LINE OF SAID SOUTHWEST ONE-QUARTER, SOUTHEAST ONE-QUARTER QUARTER SOUTH 00° 24' 44" WEST, 1324.02 FEET TO THE EAST ONE SIXTEENTH (1/16), CORNER COMMON TO SAID SECTIONS SEVEN (7) AND SECTION EIGHTEEN (18), TOWNSHIP TWENTY-TWO (22) SOUTH, RANGE ELEVAN (11) EAST, OF THE WILLAMETTE MERIDIAN; THENCE ALONG THE SOUTH LINE OF SAID SECTION SEVEN (7), NORTH 89° 45' 11" WEST, 3,748.42 FEET, TO THE SOUTHWEST CORNER OF SAID SECTION SEVEN (7), BEING THE CORNER COMMON TO SAID SECTION SEVEN (7) AND SAID SECTION EIGHTEEN (18), AND SECTION CORNERS TWELVE (12), AND THIRTEEN (13), TOWNSHIP TWENTY TWO SOUTH (22), RANGE TEN (10) EAST, WILLAMETTE MERIDIAN; THENCE LEAVING SAID SOUTH LINE OF SECTION SEVEN (7) AND ALONG THE SOUTH LINE OF SAID SECTION TWELVE (12), WESTERLY 3960 FEET MORE OR LESS TO THE WEST ONE SIXTEENTH (1/16), CORNER COMMON TO SAID SECTIONS TWELVE (12) AND SECTION THIRTEEN (13); THENCE LEAVING SAID SOUTH LINE AND ALONG THE NORTH-SOUTH CENTERLINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION THIRTEEN (13), SOUTH 00° 15' 37"

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EAST, 2628.83 FEET TO THE CENTER WEST ONE SIXTEENTH (1/16), CORNER OF SAID SECTION THIRTEEN (13); THENCE ALONG THE NORTH-SOUTH CENTERLINE OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION THIRTEEN (13), SOUTH 00° 15' 08" EAST, 2,636.76 FEET, TO THE WEST ONE SIXTEENTH (1/16), CORNER COMMON TO SAID SECTION THIRTEEN (13) AND SECTION TWENTY-FOUR (24), TOWNSHIP TWENTY TWO SOUTH (22), RANGE TEN (10) EAST, WILLAMETTE MERIDIAN; THENCE ALONG THE SOUTH LINE OF SAID SECTION THIRTEEN (13), SOUTH 89° 32' 39" WEST, 1,295.01 FEET TO THE SECTION CORNER COMMON TO SAID SECTION THIRTEEN (13), AND SECTIONS FOURTEEN (14), TWENTY-THREE (23) AND TWENTY-FOUR (24) OF TOWNSHIP TWENTY TWO SOUTH (22), RANGE TEN (10) EAST, WILLAMETTE MERIDIAN; THENCE ALONG THE SOUTH LINE OF SAID SECTION FOURTEEN (14), SOUTH 89° 47' WEST, 2,611.62 FEET, TO THE SOUTH ONE-QUARTER CORNER OF SAID SECTION FOURTEEN; THENCE CONTINUING ALONG SAID SOUTH LINE OF SECTION FOURTEEN (14), NORTH 89° 41' WEST, 2,597.76 FEET TO THE SECTION CORNER COMMON TO SAID SECTION FOURTEEN (14), FIFTEEN AND SECTIONS (15), TWENTY-TWO (22) AND TWENTY-THREE (23) OF TOWNSHIP TWENTY TWO SOUTH (22), RANGE TEN (10) EAST, WILLAMETTE MERIDIAN; THENCE ALONG THE SOUTH LINE OF SAID SECTION FIFTEEN (15), NORTH 89° 37' 36" WEST 1308.26 FEET TO THE EAST ONE SIXTEENTH (1/16), CORNER BETWEEN SAID SECTIONS FIFTEEN (15) AND TWENTY TWO (22); THENCE ALONG THE NORTH-SOUTH CENTERLINE OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION FIFTEEN (15), NORTH 00° 29' 31" EAST 1,334.85 FEET TO THE SOUTHEAST ONE SIXTEENTH (1/16), CORNER OF SAID SECTION FIFTEEN (15); THENCE CONTINUING ALONG SAID NORTH-SOUTH CENTERLINE, NORTH 00° 13' 14" EAST 1255.93 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF SIXTH STREET AS DESCRIBED IN THAT DEED RECORDED IN VOLUME 290 PAGE 150, DESCHUTES COUNTY DEED RECORDS; THENCE LEAVING SAID NORTH-SOUTH CENTERLINE AND ALONG SAID RIGHT OF WAY LINE 235.80 FEET ALONG THE ARC OF 1402.50 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT, THE LONG CHORD OF WHICH BEARS NORTH 70°47'17" WEST 235.52 FEET TO THE EAST-WEST CENTERLINE OF SAID SECTION FIFTEEN; THENCE LEAVING SAID RIGHT OF WAY LINE AND ALONG SAID THE EAST-WEST CENTERLINE OF SECTION FIFTEEN, SOUTH 89° 41' 16" WEST, 1085.68 FEET TO THE CENTER ONE-QUARTER (1/4), CORNER OF SAID SECTION FIFTEEN (15); THENCE ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION FIFTEEN (15), NORTH 00° 14' 38" EAST 1316.31 FEET TO THE CENTER NORTH ONE-SIXTEEN (1/16), CORNER OF SAID SECTION FIFTEEN (15); THENCE CONTINUING ALONG SAID NORTH-SOUTH CENTERLINE, NORTH 00° 14' 30" EAST, 1,316.28 FEET TO THE QUARTER CORNER COMMON TO SAID SECTION FIFTEEN (15) AND SECTION TEN (10) TOWNSHIP TWENTY TWO SOUTH (22), RANGE TEN (10) EAST, WILLAMETTE MERIDIAN; THENCE ALONG THE WEST LINE OF THE PLAT OF "FIRST ADDITION TO LA PINE" NORTH 01° 20' 30" WEST, 1334.85 FEET MORE OR LESS TO THE NORTHWEST CORNER OF SAID "FIRST ADDITION TO LA PINE; THENCE ALONG THE NORTH LINE OF SAID "FIRST ADDITION TO LA PINE" SOUTH 88° 57' 20" EAST, 1309 FEET MORE OF LESS TO THE NORTH-SOUTH CENTERLINE OF THE SOUTH EAST ONE-QUARTER OF SAID SECTION 10; THENCE LEAVING SAID NORTH LINE AND ALONG THE NORTH-SOUTH CENTERLINE OF SAID SOUTH EAST ONE-QUARTER, NORTH 00° 29' 33' WEST, 984 FEET MORE OR LESS TO THE SOUTHWEST CORNER OF GOVERNMENT LOT 2 OF SAID SECTION 10 AS SHOWN ON THE PLAT TITLED "DEPENDENT RESURVEY, SUBDIVISION OF SECTIONS 10 AND 11, AND METES-AND-BOUNDS SURVEYS", ACCEPTED BY THE DIRECTOR, USDI, BLM, ON MAY 28, 2004 AND FILED AT THE DESCHUTES COUNTY SURVEYOR'S OFFICE AS SURVEY CS16296; THENCE CONTINUING ALONG SAID NORTH-SOUTH CENTERLINE, NORTH 00° 36' 11" WEST, 329.67 FEET TO THE NORTHWEST CORNER OF SAID GOVERNMENT LOT 2; THENCE LEAVING SAID NORTH-SOUTH CENTERLINE AND ALONG THE NORTH LINE OF SAID

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GOVERNMENT LOT 2, NORTH 89° 57' 59" EAST, 662.97 FEET, TO THE SOUTHWEST CORNER OF GOVERNMENT LOT 1 AS SHOWN ON SAID 2004 BLM SURVEY; THENCE ALONG THE WEST LINE OF SAID GOVERNMENT LOT 1, NORTH 01° 29' 03" WEST, 322.51 FEET TO THE NORTHWEST CORNER OF SAID GOVERNMENT LOT 1; THENCE ALONG THE NORTH LINE OF SAID GOVERNMENT LOT 1 SOUTH 89° 58' 25" EAST, 661.98 FEET TO THE NORTHEAST CORNER OF SAID GOVERNMENT LOT 1 ON THE WEST LINE OF SECTION ELEVEN (11), TOWNSHIP TWENTY-TWO (22), SOUTH, RANGE TEN (10) EAST, WILLAMETTE MERIDIAN; THENCE ALONG THE LINE COMMON TO SAID SECTION TEN (10) AND SECTION ELEVEN (11), NORTH 01° 39' 46" WEST, 965.53 FEET TO THE NORTH ONE SIXTEENTH (1/16) CORNER OF SAID SECTION TEN (10) AND SECTION ELEVEN (11); THENCE ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER, NORTHWEST QUARTER, (SW1/4, NW1/4), OF SAID SECTION ELEVEN (11), NORTH 89° 53' 12" EAST, 1329.65 FEET TO THE NORTHWEST ONE-SIXTEENTH (1/16), CORNER OF SAID SECTION ELEVEN (11); THENCE ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER, NORTHWEST QUARTER, (SE1/4, NW1/4), OF SAID SECTION ELEVEN (11), NORTH 89° 54' 21" EAST, 90.60 FEET TO THE WESTERLY RIGHT OF WAY OF HUNTINGTON ROAD, SAID RIGHT OF WAY LINE BEING 30.00 FEET WESTERLY OF AND PARALLEL WITH THE CENTERLINE OF HUNTINGTON ROAD AS SURVEYED IN THE 2001 "PLAT OF SURVEY" FILED AS SURVEY CS14655 IN THE DESCHUTES COUNTY SURVEYOR'S OFFICE; THENCE ALONG SAID WESTERLY RIGHT OF WAY LINE OF HUNTINGTON ROAD NORTH 36° 26' 35" EAST, 572.89 FEET, TO A POINT OF CURVATURE; THENCE 564.32 FEET ALONG THE ARC OF A 1,402.39 FOOT RADIUS CURVE TO THE LEFT, (THE CHORD OF WHICH BEARS NORTH 24° 54' 55" EAST, 560.52 FEET), TO A POINT OF TANGENCY; THENCE NORTH 13° 23' 15" EAST, 3,010.46 FEET TO A POINT OF CURVATURE; THENCE 50.49 FEET ALONG THE ARC OF A 788.51 FOOT RADIUS CURVE TO THE LEFT, (THE CHORD OF WHICH BEARS NORTH 11° 33' 12" EAST, 50.48 FEET), TO A POINT ON THE NORTH LINE OF THE NORTHWEST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SECTION TWO (2), TOWNSHIP TWENTY-TWO (22), SOUTH, RANGE TEN (10) EAST, WILLAMETTE MERIDIAN; THENCE CONTINUING ALONG THE WESTERLY RIGHT OF WAY OF HUNTINGTON ROAD, SAID RIGHT OF WAY LINE BEING 30.00 FEET WESTERLY OF AND PARALLEL WITH THE CENTERLINE OF HUNTINGTON ROAD AS SURVEYED IN THE 1977 DESCHUTES COUNTY PUBLIC WORKS SURVEY MAP ENTITLED "PENGRA-HUNTINGTON E-2" ON FILE AT THE DESCHUTES COUNTY ROAD DEPARTMENT, 261.76 FEET ALONG THE ARC OF A 778.51 FOOT RADIUS CURVE TO THE RIGHT, (THE LONG CHORD OF WHICH BEARS NORTH 00° 30'52" EAST, 260.53 FEET), TO A POINT OF TANGENCY; THENCE NORTH 09° 07' 05" WEST, 699.14 FEET, TO A POINT OF CURVATURE; THENCE 359.44 FEET ALONG THE ARC OF A 2,261.38 FOOT RADIUS CURVE TO THE RIGHT, (THE CHORD OF WHICH BEARS NORTH 04° 33' 52" WEST, 359.06 FEET), TO A POINT ON THE NORTH LINE OF THE SOUTHWEST ONE-QUARTER, NORTHEAST ONE-QUARTER, (SW1/4 NE1/4), OF SECTION TWO (2), TOWNSHIP TWENTY-TWO (22), SOUTH, RANGE TEN (10) EAST, WILLAMETTE MERIDIAN; THENCE LEAVING SAID WESTERLY RIGHT OF WAY OF HUNTINGTON ROAD AND ALONG SAID NORTH LINE OF SAID SOUTHWEST ONE-OUARTER, NORTHEAST ONE-QUARTER, (SW1/4 NE1/4), NORTH 89° 11' WEST, 250.14 FEET TO THE CENTER NORTH ONE-SIXTEENTH (1/16) CORNER, OF SAID SECTION TWO (2); THENCE ALONG THE SOUTH LINE OF THE NORTHEAST ONE-QUARTER, NORTHWEST ONE-QUARTER, (NE1/4 NW1/4), OF SAID SECTION TWO (2), NORTH 89° 11' WEST, 1236.15' FEET TO THE NORTH WEST ONE-SIXTEENTH (1/16) CORNER; THENCE ALONG THE SOUTH LINE OF THE NORTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER, (NW 1/4 NW1/4), OF SAID SECTION TWO, NORTH 89° 11' WEST, 1236.15' FEET TO THE NORTH ONE-SIXTEENTH (1/16), CORNER COMMON TO SAID SECTION TWO (2) AND SECTION THREE (3), TOWNSHIP TWENTY-TWO (22) SOUTH, RANGE TEN (10) EAST, WILLAMETTE MERIDIAN; THENCE

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ALONG THE WEST LINE OF SAID NORTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER, (NW 1/4 NW1/4), NORTH 2º 16' 58" WEST, 1332.13 FEET TO THE NORTHWEST CORNER OF SAID SECTION TWO (2) AND THE CORNER COMMON SAID SECTION THREE (3) AND SECTION THIRTY-FOUR (34) AND SECTION THIRTY FIVE (35) OF TOWNSHIP TWENTY-ONE (21) SOUTH, RANGE TEN (10), EAST, WILLAMETTE MERIDIAN; THENCE ALONG THE WEST LINE OF SAID SECTION THIRTY FIVE (35), NORTH 2° 22' 13" EAST, 51 FEET MORE OR LESS TO THE NORTHERLY RIGHT OF WAY OF BURGESS ROAD; THENCE EASTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY 2451 FEET MORE OR LESS TO THE INTERSECTION OF THE NORTH-SOUTH CENTERLINE OF SAID SECTION THIRTY FIVE (35); THENCE LEAVING SAID NORTHERLY RIGHT OF WAY AND ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION THIRTY-FIVE (35), NORTH 01° 40' 22" EAST, 1,246.58 FEET TO THE CENTER SOUTH ONE-SIXTEENTH (1/16), CORNER OF SAID SECTION THIRTY-FIVE (35); THENCE ALONG THE NORTH LINE OF THE SOUTHWEST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER (SW 1/4 SE 1/4), OF SAID SECTION THIRTY-FIVE, SOUTH 89° 21' 30" EAST, 814.69 FEET TO A POINT OF NON-TANGENCY ON THE WESTERLY RIGHT OF WAY LINE OF HUNTINGTON ROAD, SAID RIGHT OF WAY LINE BEING 30.00 FEET WESTERLY OF AND PARALLEL WITH THE CENTERLINE OF HUNTINGTON ROAD AS SURVEYED IN THE NOVEMBER 1971 DESCHUTES COUNTY PUBLIC WORKS MAP ENTITLED "PORTION OF PENGRA-HUNTINGTON" ON FILE AT THE DESCHUTES COUNTY ROAD DEPARTMENT; THENCE ALONG SAID WESTERLY RIGHT OF WAY OF HUNTINGTON ROAD 656.84 FEET ALONG THE ARC OF A 3,849.72 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT, (THE CHORD OF WHICH BEARS NORTH 23° 41' 53" EAST, 656.05 FEET), TO A POINT OF TANGENCY; THENCE NORTH 28°35'10" EAST, 156.68 FEET, TO A POINT OF CURVATURE; THENCE 305.89 FEET ALONG THE ARC OF A 5,699.58 FOOT RADIUS CURVE TO THE LEFT, (THE CHORD OF WHICH BEARS NORTH 27° 02' 55" EAST, 305.85 FEET), TO A POINT OF TANGENCY; THENCE NORTH 25° 30' 40" EAST, 69.30 FEET TO A POINT OF TANGENCY; THENCE 249.57 FEET MORE OR LESS ALONG THE ARC OF A 34,400.50 FOOT RADIUS CURVE TO THE RIGHT (THE CHORD OF WHICH BEARS NORTH 25° 43' 08" EAST, 249.57 FEET MORE OR LESS), TO A POINT ON THE SOUTH LINE OF THE SOUTHEAST ONE-QUARTER OF THE NORTHEAST ONE-QUARTER (SE 1/4 NE 1/4) OF SAID SECTION 35; THENCE CONTINUING ALONG THE WESTERLY RIGHT OF WAY OF HUNTINGTON ROAD AS SHOWN ON THE OFFICIAL PLAT OF "LAZY RIVER SOUTH", NORTH 27° 10' 27" EAST, 500.80 FEET, TO A POINT OF CURVATURE; THENCE 403.52 FEET ALONG THE ARC OF A 2,911.21 FOOT RADIUS CURVE TO THE RIGHT, (THE CHORD OF WHICH BEARS NORTH 31° 08'42" EAST 403.19 FEET), TO A POINT OF TANGENCY; THENCE NORTH 35° 06' 57" EAST, 108.10 FEET, TO A POINT OF CURVATURE; THENCE 496.85 FEET ALONG THE ARC OF A 5,885.85 FOOT RADIUS CURVE TO THE LEFT, (THE CHORD OF WHICH BEARS NORTH 31° 25' 58" EAST, 496.05 FEET), TO A POINT OF TANGENCY; THENCE NORTH 30° 24' 17" EAST, 289.70 FEET, TO A POINT OF CURVATURE; THENCE 240.73 FEET ALONG THE ARC OF A 704.77 FOOT RADIUS CURVE TO THE LEFT, (THE CHORD OF WHICH BEARS NORTH 20° 37' 10" EAST, 239.56 FEET), TO A POINT OF TANGENCY; THENCE NORTH 10° 50' 02" EAST, 594.05 FEET, TO A POINT OF CURVATURE; THENCE 258.17 FEET ALONG THE ARC OF A 1,779.13 FOOT RADIUS CURVE TO THE RIGHT, (THE CHORD OF WHICH BEARS NORTH 14° 59' 28" EAST, 257.95 FEET), TO A POINT OF NON-TANGENCY AT THE INTERSECTION OF SAID WESTERLY RIGHT OF WAY AND THE NORTH LINE OF SAID SECTION THIRTY FIVE (35), OF TOWNSHIP TWENTY-ONE (21) SOUTH, RANGE TEN (10), EAST, WILLAMETTE MERIDIAN; THENCE LEAVING SAID WESTERLY RIGHT OF WAY AND ALONG SAID NORTH LINE SOUTH 89° 11' 14" EAST, 31.63 FEET TO THE NORTHEAST CORNER OF SAID SECTION THIRTY-FIVE (35), SAID CORNER ALSO BEING COMMON TO SECTIONS TWENTY-SIX (26), TWENTY-FIVE (25), AND SECTION THIRTY-SIX (36), OF TOWNSHIP TWENTY-ONE (21) SOUTH, RANGE

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TEN (10), EAST, WILLAMETTE MERIDIAN AND THE POINT OF BEGINNING OF THIS DESCRIPTION.

NOTE: THIS DESCRIPTION IS BASED UPON RECORDED BOUNDARY SURVEYS AND AVAILABLE MAPS ON RECORD AT THE DESCHUTES COUNTY SURVEYOR'S OFFICE AND THE DESCHUTES COUNTY ROAD DEPARTMENT.

Approved

200 Gregory Bates

Chief Cartographer Deschutes County, Oregon

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