



DAN JOHNSON
DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
DEVELOPMENT SERVICES BUILDING
150 BEAVERCREEK ROAD OREGON CITY, OR 97045

MEMORANDUM

TO: Clackamas County Board of County Commissioners (BCC)

FROM: Dan Johnson, DTD – Director
Jennifer Hughes, Planning Director

RE: Canby – Use of Sequential Review for Urban Growth Boundary (UGB) Process

DATE: September 12, 2023

REQUEST: Authorization to sign Written Notice of Election to Use Sequential Review Process for an Urban Growth Boundary expansion project that is being initiated by the City of Canby.

BACKGROUND: The City of Canby has requested county authorization to use the Sequential Review Process for the Canby UGB Expansion. See Attachment A, an August 16 letter to Chair Smith. In March, the City of Molalla made a similar request, which the Board granted.

Under state law, each city in Oregon has an Urban Growth Boundary (UGB). While the cities within the Portland metropolitan area have one UGB managed by Metro, five cities within the County – Barlow, Canby, Estacada, Molalla, and Sandy – have their own UGBs. A UGB is intended to designate land that will accommodate growth over a 20-year horizon. Across time, cities may need to amend their UGBs to accommodate continued growth. The UGB line is maintained on both city and county Comprehensive Plan maps, so when a city amends its UGB, the county map must also be updated.

The City of Canby is in the initial stages of a potential UGB expansion, and they have been working with the state's Department of Land Conservation and Development (DLCD) to understand the components necessary to amend their UGB. The city would like to use a process option, called the Sequential Review Process, which allows for studies related to the potential UGB amendment to be submitted separately to DLCD for review as they are completed, rather than all at once at the end of the process. The city may then undertake any needed UGB expansion at the end, based on the findings of the various studies.

In order to use the Sequential Review Process, DLCD requires a notice of election to be submitted jointly from the city and county. The election submittal must include the 20-year planning period that will be used, as well as a draft work program. See Attachment B for the notice of election and proposed work program. The Canby City Council has approved use of the Sequential Review Process. See Attachment C for the Canby City Council resolution of support.

In approving use of this process, the county is acknowledging only that the final UGB expansion is likely to exceed 50 acres (Oregon Administrative Rules 660-025-0185(2)). The city has recently completed an Economic Opportunity Analysis and a Housing Needs Assessment. These studies identified a need for 447 acres of employment land and a residential land deficit of about 50 acres.

The UGB amendment process requires an assessment of land needs, identification of a study area for potential UGB expansion if a need is identified, analysis of lands in the study area for inclusion in the UGB, an amendment of the city's Comprehensive Plan, and, finally, an amendment of the county's Comprehensive Plan. Until a study area is identified and the lands within it are evaluated, there is no map of the proposed UGB expansion area.

As with all amendments to our Comprehensive Plan, the county process would include public hearings by the Planning Commission and the Board of County Commissioners and a decision by the Board. These actions would happen after approval by the Canby City Council and are not anticipated to occur until after June 2025. In making its decision at that time, the Board will evaluate whether the city has met the criteria for the proposed UGB expansion.

If the County does not elect to allow the Sequential Review Process, Canby would need to proceed under a different UGB expansion review process, which requires that all of the studies be complete before the City Council and Department of Land Conservation and Development approve any of them. This may lead to increased uncertainty since local residents will be required to wait until the end of the process to bring forward their concerns on a component that was completed months or even years prior. In addition, it could cause the city to expend resources without any certainty that each element of the package will be approved at the end.

Staff is requesting authorization to sign the "Election to Use Sequential Review Process" to allow Canby to submit this request to DLCD. Alternatively, if the BCC would like additional information before granting the authorization, a policy session can be scheduled.

Attachments:

Attachment A – Letter to Chair Smith from City of Canby

Attachment B – Written Notice of Election to Use Sequential Review Process

Attachment C – Canby City Council Resolution to use the Sequential Review Process



City of Canby

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August 16, 2023

Ms. Tootie Smith
Clackamas County Board of Commissioner Chair
Clackamas County
2051 Kaen Road
Oregon City, OR 97045

Dear Chair Smith,

The City of Canby has recently been working on our Housing Needs Analysis and Economic Opportunities Analysis studies. Through this work, it is becoming clear that the city will need to expand its Urban Growth Boundary (UGB) to address the need for land to accommodate these uses. Representatives from the Department of Land Conservation and Development (DLCD) have recommended that the city use a process option, called the Sequential Review Process, which allows for studies related to the potential UGB amendment to be submitted separately to DLCD for review as they are completed, rather than all at once at the end of the process. The city may then undertake any needed UGB expansion at the end, based on the findings of the various studies.

The City of Canby is very interested in pursuing the Election to Use the Sequential Review process for the City of Canby UGB Expansion. In order to use this process, DLCD requires a Notice of Election to be submitted jointly from the City and County.

This letter is to let you know that we've engaged Clackamas County Planning staff on the Sequential Review process, and they recommended we reach out to you so that you are aware that a request to participate in this process will be brought forward to you by your staff. In the near term, we do not expect that significant County staff time will be required as the City undertakes the steps needed to identify the appropriate land to be brought into the Canby UGB. It will likely not be until 2025 when there will be any formal action required by Clackamas County.

Our City Council approved the resolution to process with the Sequential Review Process on August 16, 2023, and I've attached our Election to Use the Sequential Review Process which we have also shared with County Planning staff. Additionally, attached is the signed Joint Election to Use the Sequential Review Process.

We look forward to our continued coordination on this process and appreciate the County's continued support for using the process.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Hodson". The signature is fluid and cursive, with a large initial "B" and "H".

Brian Hodson, Mayor

CC:

Karen Buehrig, Clackamas County

Martha Fritzie, Clackamas County

Eileen Stein, City of Canby

Don Hardy, City of Canby

Ryan Potter, City of Canby

Enclosures:

Adopted Canby City Council Resolution

Joint Election to Use the Sequential Review Process



August 16, 2023

City of Canby
Written Notice
Election to Use Sequential Review Process
OAR 660-025-0185

OAR 660-025-0185(1) & (2) provide the framework for “sequential review” relevant to Urban Growth Boundary (UGB) amendment components. Together the two statutes allow the City of Canby to submit the necessary studies for UGB amendment separately to DLCD for review and acceptance one at a time and undertake UGB amendment at the end, based on the findings of the various studies.

The first step to accessing the sequential process is for the City of Canby and Clackamas County to issue a “Joint Election to Use the Sequential Review Process.” This document satisfies all requirements of the Joint Election. Upon approval by Clackamas County Planning, the City will provide this document and the draft work plan (Exhibit A) to DLCD for review and acceptance. DLCD will also assist the City in finalizing the work plan, similar to a periodic review.

Conditions Precedent. In order to utilize the sequential process for UGB amendment a City must comply with the following conditions precedent:

1. The City and County must concur that the final UGB amendment is likely to exceed 50 acres.
 - **Response:** In coordination with Clackamas County and DLCD Planning Staff, the City and Planning Consultants, 3J Consulting and FCS GROUP, have recently completed a draft Economic Opportunities Analysis and a draft Housing Needs Analysis for the City of Canby. That analysis shows a 20-year employment land deficit of 447 acres and residential land deficit currently about 50 acres not including land for parks and open space.
 - **Finding:** The final UGB amendment supported by this sequential process will likely exceed 50 acres.
2. The City and County must submit written notice of election to use the sequential process in OAR 660-025-0185 to DLCD prior to submittal of any component for review.
 - **Response:** The City of Canby elected to use the Sequential process in Resolution 1393 (attached) and is submitting this document to Clackamas County Planning for Concurrence. No component has been formally submitted to DLCD for review under this sequential process.
 - **Finding:** By the signature of their authorized representatives below, the City and County jointly elect to use the sequential process in OAR 660-025-0185 to amend the City of Canby UGB.
3. The Notice of Election must propose the planning period for the amendment and include a draft work program (Note: DLCD will prepare a final work program upon submission of this joint written notice of election).
 - **Response:** The City proposes 2023-2043 as the planning period for the amendment. A draft work program is included with this document as Exhibit A.
 - **Finding:** This document is the Notice of Election and does propose a planning period and work program as required.

Authorized Representative for City of Canby

Authorized Representative for Clackamas County

Name/Title: Eileen Stein
Interim City Admin. Name/Title: _____

Signature: Eileen Stein Date: 8-18-23 Signature: _____ Date: _____

Attachment A: City of Canby Sequential UGB Work Program

Task #	Task Name and Description	Expected Completion Date	Adoption/Review Body and Method
1	<p>Economic Opportunities Analysis (EOA) The EOA determines employment land needs and land capacity over the next 20 years based on forecasted job growth in various sectors pursuant to OAR 660-009-0015.</p>	September 6, 2023 City Council Adoption, effective October 6, 2023	<p>1. Post Acknowledgement Plan Amendment to Comprehensive Plan, adoption by Canby City Council. 2. Notice to DLCD pursuant to OAR 660-025-0140. 3. DLCD Director review within 90 days pursuant to OAR-660-025-0150 (appealable to LCDC)</p>
2	<p>Housing Needs Analysis (HNA) and Housing Production Strategy (HPS) The HNA includes a buildable land inventory (BLI) and housing needs analysis determining housing needs over the next 20 years and capacity within the existing UGB, in accordance with ORS 197.296 and HB 2003. The final refinements to the BLI are needed to determine the land supply and, subsequently, the overall land need. The HPS identifies tools, actions, and policies the City can use to encourage housing production based on needs identified in the HNA. Work on the HPS is complete pending final adjustments to the HNA.</p>	February 21, 2024. The HNA and HPS will be adopted concurrently.	<p>HNA 1. Post Acknowledgement Plan Amendment to Comprehensive Plan, adoption by Canby City Council. 2. Notice to DLCD pursuant to OAR 660-025-0140. 3. DLCD Director review within 90 days pursuant to OAR-660-025-0150 (appealable to LCDC).</p> <p>HPS Adoption by City Council with subsequent review by DLCD in accordance with OAR 660-008.</p>
3	<p>Identify and Adopt Land Efficiency Measures Land efficiency measures are changes the city makes to its zoning map and development code to increase land efficiency within the existing UGB in order to reduce the overall UGB expansion needs.</p>	April 17, 2024	<p>1. Post Acknowledgement Plan Amendment to Comprehensive Plan and development code, adoption by Canby City Council and Clackamas County. 2. Notice to DLCD pursuant to OAR 660-025-0140.</p>

	<p>The land efficiency measures can include zone changes to zone more land for residential development, to up-zone or increase densities in some areas, or other changes to standards that would provide more capacity. These measures may partially overlap with strategies identified in the Housing Production Strategy.</p> <p>Canby has initiated a project to consider land efficiency measures including, but not limited to:</p> <ul style="list-style-type: none"> • Planned Unit Development code update • Creation of cottage development ordinance • Creation of mixed-use overlay or zone along 99E corridor for commercial zones 		<p>3. DLCD Director review within 90 days pursuant to OAR-660-025-0150 (appealable to LCDC).</p>
<p>4</p>	<p>Urban Growth Boundary (UGB) Expansion Using results from the HNA, EOA, and accounting for efficiency measures, the city will determine the total amount of housing and employment land that needs to be added to the UGB. The final UGB expansion must be adopted by both the City and the County. Subtasks include:</p> <ul style="list-style-type: none"> • Establish preliminary study area, pursuant to OAR 660-024-0065 • Evaluation of lands within study area, pursuant to OAR 660-024-0070 • Identification of lands to be added to UGB <p>The City may opt to adopt Comprehensive Plan designations for the newly added land at this time or may complete that task separately, following expansion.</p>	<p>June 30, 2025</p>	<p>1. Post Acknowledgement Plan Amendment to Comprehensive Plan and development code, adoption by Canby City Council</p> <p>2. Notice to DLCD pursuant to OAR 660-025-0140.</p> <p>3. DLCD Director review within 90 days pursuant to OAR-660-025-0150 (appealable to LCDC).</p>

*None of the proposed completion dates in this program are binding; they are preliminary estimates. However, for the purposes of an urban growth boundary amendment, a task approval is valid for four years. This means that if the UGB expansion is not completed within that time period, the expired work task would need to be updated, readopted, then acknowledged. This period may be extended for up to one year by the director if the local governments show good cause for the extension. The four-year period begins on the later date of:

- (a) Director approval order;
- (b) Commission final approval order; or
- (c) Completion of judicial review of the final approval order.

RESOLUTION NO. 1393

A RESOLUTION ADOPTING THE SEQUENTIAL URBAN GROWTH BOUNDARY REVIEW PROCESS.

WHEREAS, The City of Canby desires to amend the City's urban growth boundary (UGB) and wishes to use the Oregon Administrative Rule 660-025-0185 (1) & (2) process for Sequential (Urban Growth Boundary) Review Process;

WHEREAS, The City of Canby concurs that the UGB anticipated amendment will likely exceed 50-acres and the City, Clackamas County and the Oregon State Department of Land Conversation and Development concur with this; and


WHEREAS, Canby wishes to submit a resolution of election to the Clackamas County Planning Department for their approval of the Sequential Review Process.

NOW THEREFORE, BE IT RESOLVED by the City of Canby as follows:

1. The City Council elects to use the Sequential Review Process for its urban growth boundary amendment process.

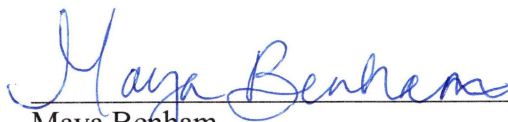
This Resolution will take effect on August 16, 2023.

ADOPTED this 16th day of August, 2023 by the City of Canby City Council.



Brian Hodson
Mayor

ATTEST:



Maya Benham
City Recorder