



Department

112 W. 2nd Street, Phoenix, Oregon 97535
Office: 541-535-2050

File Number: A16-01 & ZO16-01

Request: Petition for Annexation and Rezoning, Type IV Legislative Action & Type III Quasi-Judicial Action

Street Address: 1680 Camp Baker Road, Medford, OR 97501

Parcel Number(s): 38 1W 16AC TL500, TL600

Date of Application: April 6, 2016

Applicant: Randall and Vicki Williams

Phone: 541-292-1933
541-227-3964

Applicant Address: 3960 Hilsinger Road
Phoenix, OR 97535

Information Reviewed: Application file

Related permits: VAR16-01, MLP16-01, MLP16-02

Date of 1st Evidentiary Hearing: June 13, 2016

Date of 2nd Evidentiary Hearing: TBD

Staff Recommendation: Accept Findings of Fact and Conclusions of Law as presented in the staff report and recommend approval of the request for annexation to the Phoenix City Council and approve the request for zone change from Jackson County Rural Residential 2.5 to City of Phoenix R-1, Hilsinger Overlay.



Department

112 W. 2nd Street, Phoenix, Oregon 97535
Office: 541-535-2050

Projection Description

1. Subject Property Legal Description: see Exhibit 1

2. Subject Property Characteristics and Features: Two parcels with a combined land area of 2.49 acres, located on the west side of Hilsinger Road, north of Camp Baker Road. A single family home and four outbuildings are located on TL 600, and the home is occupied by the applicant. One of the outbuildings would be removed, the others would remain. Lot 500 is vacant with the exception of an existing shop building.

The subject is roughly level, with no significant topographic variation. Open, undeveloped land has been used for pasture. There are several "significant" trees as defined the City's Land Development Code including a row of cedars and Cyprus located on the southern property line of TL 600. Note: the applicant has identified preservation of these and several other trees as a principal justification for maintaining lot sizes that exceed the maximum allowed within the Hilsinger Overlay district.

3. Land Entitlement Status:

- a. **Subject Property Current Zoning:** Jackson County, Rural Residential 2.5
- b. **Subject Property Proposed Zoning:** City of Phoenix R-1, Hilsinger Overlay Zone
- c. **Subject Property Current Comprehensive Land Use Plan Designation:** Low Density Residential
- d. **Subject Property Proposed Comprehensive Land Use Plan Designation:** Low Density Residential

4. Neighborhood Characteristics and Features:

- a. **Adjacent Zoning:** North, R-1 Low Density Residential Hilsinger Overlay District; East Jackson County RR2.5; R-1 Low Density Residential Hilsinger Overlay; South, Jackson County EFU
- b. **Adjacent Comprehensive Land Use Designations:** N, Low Density Residential; East, undeveloped & Low Density Residential; West, Low Density Residential; South, agricultural (active vineyard and winery).

5. Utilities and Infrastructure: the property is served by full urban infrastructure that is available throughout the surrounding neighborhood.

- a. **Electricity:** Pacific Power
- b. **Natural Gas:** Avista
- c. **Potable Water:** the existing single family home is property is served by a 1" meter (slightly larger than typical residential meter).
- d. **Sanitary Sewer:** Sanitary sewer, provided by Rogue Valley Sewer Services, is available to the subject
- e. **Transportation:** Access to the subject is provided from Camp Baker Road, Hilsinger Road, and Pacific Lane
- f. **Police:** The property is within the Phoenix UGB and already served by the Phoenix Police Department.



Department

112 W. 2nd Street, Phoenix, Oregon 97535
Office: 541-535-2050

- g. **Fire:** Fire protection is provided by Jackson County Fire District #5.

Review

Request for Annexation

Annexation is governed by the City's Land Development Code, Municipal Code, Comprehensive Plan, its Urban Growth Boundary Management Agreement with Jackson County, and state law. The Land Development and Municipal Codes do not define specific standards of review for a proposed annexation.

Requests for annexation are evaluated using a Type IV Legislative procedure. The Planning Commission recommends action, but does not have authority to render a final decision. The City Council must ratify a proposed annexation by ordinance.

ORS 222.111 provides the statutory authority for a city in Oregon to expand its territory assuming that

1. The land to be annexed is contiguous with the existing political boundaries of the city in question; and
2. The petition for annexation has been "initiated by the legislative body of the city, on its own motion, or by a petition to the legislative body of the city by owners of real property in the territory to be annexed".

Section 170 of ORS 222 further requires that more than half of the property owners who own more than half of the total assessed valuation within the area to be annexed must consent to the annexation.

Findings of Fact:

1. The subject property is contiguous with the current Phoenix city boundary.
2. The petitioner is the only property owner involved in the request for annexation.

Conclusions of Law:

The requested action **CONFORMS TO THE REQUIREMENTS OF ORS 222.111** for annexation.

The City of Phoenix and Jackson County manage the urbanization of land through an Urban Growth Boundary and Policy Agreement that was ratified by in 1995. According to this *agreement*

1. *City annexation shall occur only within the officially adopted Urban Growth Boundary.*
2. *Specific annexation decisions shall be governed by the official annexation policy of the City. The City will provide an opportunity for the County to respond to pending requests for annexation.*
3. *Establishment of an Urban Growth Boundary does not imply that all land within the boundary will be annexed to the City.*



Department

112 W. 2nd Street, Phoenix, Oregon 97535
Office: 541-535-2050

4. *Urban facilities and services must be adequate in condition and capacity to accommodate the additional level of growth, as allowed by the City Comprehensive Plan, prior to or concurrent with the land use changes.*

Findings of Fact:

1. The subject is located within the officially adopted Urban Growth Boundary.
2. The City has notified the County of the proposed annexation and has not yet received any comments.
3. All urban infrastructure is available to the subject property and has sufficient capacity to accommodate development in this vicinity. Hilsinger Road does not meet current City standards, but improvements are considered to be a high priority within the City's Transportation System Plan and Capital Improvement Plan.

Historically, there have been concerns about water pressure in this part of Phoenix. Improvements made to the system have improved pressure, and recent measurements from hydrants in this area indicate sufficient pressure for fire suppression and domestic water supply. If, upon review of a subdivision plan, minor lot partition, site design or development review application, it is demonstrated that pressure is insufficient for minimum domestic water supply and fire suppression standards, the City may consider requiring further improvements at the developer's, users, and/or City's expense. Concerns about water pressure may also be allayed by the fact that the property owner has suggested using TID for irrigation, thus reducing one of the most significant demands on municipal water systems during parts of the year when water supplies are under greatest demand.

The subject is within the Fire District 5, Phoenix City Police Department, and Talent/Phoenix School district service areas.

Because the precise nature of development is not known, future impacts on City infrastructure and services are somewhat speculative and should be left to later phases in the development review process. Considering the size of the annexation, it is unlikely that future development of these lands

Conclusions of Law:

The requested action **CONFORMS TO THE REQUIREMENTS OF THE PHOENIX URBAN GROWTH BOUNDARY POLICY AGREEMENT** for annexation.

Last, the Land Use Element of the City's Comprehensive Plan provides goals and policies for annexation. Goal 3 is to "Manage annexations to achieve the objectives of the Plan by ensuring that the cumulative effect of annexations decision are considered." Policy 3.1 states that

The City Council may approve annexations, without referral to the City's entire electorate, when findings of facts show that development of the property or properties proposed for annexations would be consistent with the Plan and A) That development on the land proposed for annexation can be served with all urban services and facilities without adverse impact on the availability, quality, quantity, or reliability of City services provided to or likely to be needed by; 1) Existing development within the incorporated area, and 2) Undeveloped, partially vacant, or



Department

112 W. 2nd Street, Phoenix, Oregon 97535
Office: 541-535-2050

redevelopable incorporated land (considering approved development plans or permissible densities as set out in the Plan), and B) Population impacts of the proposed development will not cause the City's population to grow at a rate in excess of the Comprehensive Plan, Population Element's planned population [...] An annexation conforms to the Population Element if the average rate of population growth likely to result from annexation (considering development phasing of the proposed annexation) when added to the development of previously annexed lands (considering their phasing and historical rate of development) will not exceed 133 percent of the average annual population growth rate computed as follows: Planned Population - most recent PSU¹ estimate of population.

Policy 3.4 requires that "All properties annexed to the City shall eventually be improved to City standards [...] If required improvements are not proposed at the time of annexation, then the annexation agreement shall specify that the improvements shall be installed at the time of partitioning, subdivision, development or other time as approved by the Council."

Findings of Fact:

1. The subject property is served by all urban infrastructure and services (see discussion below throughout review of request for zone change).
2. Provision of the services can be accomplished without adversely affecting existing or future development within the City's current Urban Growth Boundary.
3. The proposed annexation would accommodate a maximum of 6 new dwelling units.
4. The current average household size for the City of Phoenix is 2.2 persons/household.
5. The maximum population added to the City's current population of 4,955 within the City's political boundaries (PSU 2015 certified population estimate) due to the proposed annexation would be 14 or 0.003% more than the current population.
6. Development upon the annexed property must comply with the City's Land Development Code which requires improvements to infrastructure and facilities that meet the City's specifications. This would be reviewed during subdivision and site design/development review.

Conclusions of Law:

The requested action **CONFORMS TO THE REQUIREMENTS OF THE PHOENIX COMPREHENSIVE PLAN** for annexation.

Request for Zone Change ("Rezoning")

The criteria for review of a quasi-judicial map amendment are set forth in Chapter 4.7.3.B Criteria for Quasi-Judicial Amendments and are stated as follows:



Department

112 W. 2nd Street, Phoenix, Oregon 97535
Office: 541-535-2050

1. *Demonstration of compliance with all applicable comprehensive plan policies and map designations. Where this criterion cannot be met, a comprehensive plan amendment shall be a prerequisite to approval;*
2. *Demonstration of compliance with all applicable standards and criteria of this Code, and other applicable implementing ordinances;*
3. *Evidence of change in the neighborhood or community or a mistake or inconsistency in the comprehensive plan or land use district map regarding the property that is the subject of the application; and the provisions of Chapter 4.7.6 – Transportation Planning Rule Compliance, as applicable.*

Findings:

Compliance with Comprehensive Plan

1. Population Element.

Goal 1 of the Population Element is to “Plan, design, and implement programs, plans and projects which will support a year 2016 population of 5,250.” The City’s current population is 4,955, according to the certified population estimated determined by Portland State University. The proposed annexation, which would not accommodate more than 4-6 dwelling units, will not exceed this planning goal. As a recently completed Residential Buildable Lands Inventory and Housing Needs Assessment observe, much of the City’s buildable residential land within its current political boundaries has been built-out. Accommodating population growth within the City will need to be achieved through the annexation of land within the Urban Growth Boundary. **Z016-01 is consistent and complies with Comprehensive Plan policies.**

2. Natural Resources Element.

This element of the Comprehensive Plan provides goals and policies for cultural, historical, natural, and open space resources, most of which are considerations for development and are applied during consideration of proposed development. **NOT APPLICABLE.**

3. Historic Element.

No historic assets were identified within the subject property. The proposed zone change will not affect and has no direct relationship with any goals or policies in this plan element. **NOT APPLICABLE.**

4. Natural Hazards.

There are no natural hazards as identified by this element that are unique to the subject or its proposed R-1, Hilsinger Overlay zoning. The proposed zone change will not affect and has no direct relationship with any goals or policies in this plan element. **NOT APPLICABLE.**

5. Public Facilities.



Department

112 W. 2nd Street, Phoenix, Oregon 97535
Office: 541-535-2050

According to the applicant, they “developed Pacific Lane to city standards in 1997 and all basic utilities are available therein. Storm drain collection systems are in place on Pacific Lane as well as a French drain along the southern aspects of Pacific Lane to Hilsinger Road. Individual Parcel, storm water control, will be developed by with the city of Phoenix by builders at the time of site development.” Findings of Fact prepared by the applicant further state that “All services are available at suitable gradients to service the subject properties. Utility connections can be made with input and direction from the controlling utility services [...] Required on-site improvements will be furnished and paid for by the property owner at the time of development, thereby insuring the Orderly and Economic Extension of the Urban Facilities and Services” (p. 4). Staff concur with these statements.

At a Pre-Application meeting, Phoenix Public Works Department staff and Fire District 5 representatives provided comments on the application, and all were satisfied that the current water distribution system would be sufficient to provide to minimum domestic water and fire suppression flow. Rogue Valley Sewer Services has also indicated that sanitary sewer facilities within the vicinity have capacity to accommodate additional residential development.

Another, higher density residential neighborhood on Tracey Lane is located directly to the west of Tax Lot 500 and was able to be served by urban infrastructure and services when it was developed in 2005-6. **ZO16-01 is consistent and complies with Comprehensive Plan policies.**

6. Housing Element.

Goal 1 of this element is “To provide, promote, and facilitate as appropriate the provision of housing consistent with the needs and financial capabilities of the City’s residents” (p.25). Several policies developed to achieve this goal are relevant to the current application. They are:

Policy 1.2: The City shall promote home ownership by emphasizing housing types and densities within the plan which are conducive to home ownership.

Policy 1.2.a: The Plan shall provide for an increasing incidence of home ownership through designation of sufficient lands and at appropriate plan/zone designations, to provide for 65% home ownership by 2016.

The comprehensive plan land use map designation for the subject property is “Low Density Residential”. The Comprehensive Plan Housing Element established allocations of various types of residential land (and densities) based on a housing needs analysis performed at the time the current Housing Element was written. Target population that was to be housed within the current Urban Growth Boundary was around 5,200, and the Housing Element accounted for this target in setting residential densities throughout the City. The proposed annexation is consistent with densities needed to meet the target.



Department

112 W. 2nd Street, Phoenix, Oregon 97535
Office: 541-535-2050

According to a Housing Needs Assessment completed in 2016, most demand for new housing will be single family detached, although more higher density housing will need to be built in order to meet demand for different types of housing that are affordable to households representing divergent life circumstances. The study found that 447 dwelling units will need to be developed on lands designated by the current comprehensive plan land use map as Low Density Residential. The study also found that city-wide overall vacancy rates (for sale and rent) are at record lows in the Rogue Valley. Without new supply, prices for existing units will continue to climb and become less and less affordable. Residential development across a range of densities is essential to alleviate a growing housing shortage and affordability crisis. **Z016-01 is consistent and complies with Comprehensive Plan policies.**

7. Parks & Recreation Element.

The proposed zone change will not affect and has no direct relationship with any goals or policies in this plan element. **NOT APPLICABLE.**

8. Urbanization Element.

Goal 4, Maximum Efficiency of Land Use Within and on the Fringe of the Existing Urban Area, states as follows (underlines for added emphasis):

A. The City/County Urbanization Agreement provides for a coordinated transition for rural to urban development as the City grows. Land that is currently within the City will be developed first, if possible followed by lands adjacent to the City limits to avoid "leap-frogging".

As demonstrated by the Housing Needs Assessment, completed in April 2016, much of the existing residential land within the City has been developed. Very little infill land remains within the existing City boundaries. The vast majority of remaining developable residential lands are located outside of the City's boundaries. This is true for the subject property which is adjacent to the current boundary.

The goal further states

B. All areas within the proposed UGB can be provided with urban level services and facilities. These will be adequately in condition and capacity to serve the new growth prior to or concurrent with any land use changes or annexations, in accordance with City development and annexation policies.

As previously discussed in both Transportation and Public Facilities sections elsewhere in this report, urban infrastructure and services are available to the subject property.

The goal also requires that

D. The development of potential in the downtown (core) area of the community will be maximized by providing adequate opportunities for commercial development and expansion, and by locating higher density residential areas within easy walking distance of shopping and employment. A total of 190 multi-family dwellings are proposed to be



Department

112 W. 2nd Street, Phoenix, Oregon 97535
Office: 541-535-2050

added within the present City limits and all will be within walking distance (not more than four blocks) of the business district and shopping.

The proposed zone for the newly annexed land would be low density, not higher density that, according to this goal, should only be located in close proximity to the city's downtown.

The appropriate or ideal location of low density residential development is further described in the following:

E. The City has been careful to plan for fringe-area land uses that will be the most compatible with agricultural uses outside the UGB, where they occur. Only low-density single-family residential lands will abut agricultural lands to minimize the numbers of dwellings and people that will be exposed to any potential conflicts.

Higher density residential is not recommended for land located in the vicinity of the subject; lower density residential is recommended for lands on the edge of the Urban Growth Boundary, particularly those that are adjacent to agricultural lands in order to reduce or eliminate land use conflicts that can occur between urbanized and rural/working lands.

Section 6 of Goal 4 actually identifies lands of which the subject is part, as desirable for annexation and development at lower densities:

F. Urbanizable lands in the southwestern portion of the UGB consist of many small "rural-residential" home sites of one or two acres, or less. There are no major farm units in this area and most agricultural that exists is being pursued for personal use or as a hobby for extra income. This area, because of its density and need for public facilities, such as water and sewer, will benefit by eventual annexation to the City.

The subject is located within the "southwestern portion of the UGB" and, as the goal states, would benefit by annexation to the City and the provision of urban infrastructure and services.

Finally, Goal 7 addresses these potential conflicts further, stating that

C. Southwest of the City, the area is already divided into many small rural-residential lots. The proposed low-density development will have no adverse impact on these areas, or larger farm units to the west.

The subject property is located within the southwest of the City, and urbanization should not adversely affect nearby agricultural operations.

Z016-01 is consistent and complies with Comprehensive Plan policies.

9. City Center.

Finding: The subject property is not located in the City Center area.

Conclusion: NOT APPLICABLE.

10. Transportation Element.



Department

112 W. 2nd Street, Phoenix, Oregon 97535
Office: 541-535-2050

The portion of Hilsinger Road within the annexation area does not meet current City standards, but improvements are planned for Hilsinger Road according to the City's most recent version of its Transportation System Plan (to be adopted July, 2016) and Capital Improvement Plan. Improvements are planned for Camp Baker road as land within the Urban Growth Boundary and along its south side develops over the next 5-20 years. **ZO16-01 is consistent and complies with Comprehensive Plan policies.**

11. Land Use Element.

Policy 5.1 of the Land Use Element explains the connection between Comprehensive Plan Land Use Map designations and Land Use District or "zoning" map. Its stated goal is to "Utilize the descriptions included in the Section of the Land Use Element entitled "Plan Designations" as policy. As such the descriptions of plan designations will be the controlling document for the purpose of administration of the zoning and subdivision ordinances or other pertinent land use regulations and codes." The Comprehensive Plan map designates the subject property as "Low Density Residential". The Land Use Map District used to implement this designation is "R-1 Low Density Residential". The further application of the "Hilsinger Overlay H-O" designation is intended to achieve other goals and objectives described elsewhere in the Comprehensive Plan (see discussion of the "Urbanization Element" above). **ZO16-01 is consistent and complies with Comprehensive Plan policies.**

12. Economic Element

The proposed zone change will not affect and has no direct relationship with any goals or policies in this plan element. **NOT APPLICABLE.**

Compliance with Transportation Planning Rule

Chapter 4.7.6 further states that a zone change (land use district change) must also comply with the Transportation Planning Rule as delineated in OAR 660-012-0060.

Findings:

Chapter 4.7.6 implements OAR 660-012-0060 locally by requiring that a development application be reviewed to "determine whether it significantly affects a transportation facility" when the application includes a comprehensive plan amendment or land use district change. A proposal is considered to "significantly affect a transportation facility" when it would

1. *Change the functional classification of an existing or planned transportation facility. This would occur, for example, when a proposal causes future traffic to exceed the capacity of collector street classification, requiring a change in the classification to an arterial street, as identified by the Comprehensive Plan and the Transportation System Plan; or*
2. *Change the standards implementing a functional classification system; or*
3. *Allow types or levels of land use that would result in levels of travel or access what are inconsistent with the functional classification of a transportation facility; or*
4. *Reduce the level of service of the facility below the minimum acceptable level identified in the Comprehensive Plan and the Transportation System Plan.*



Department

112 W. 2nd Street, Phoenix, Oregon 97535
Office: 541-535-2050

The Zone Change is not likely to significantly affect a transportation facility. The petition, therefore, satisfies the requirements of OAR 660-012-0060 without need for further review. **ZO16-01 is consistent and complies with all applicable standards and criteria of the Land Development Code, and other applicable implementing ordinances.**

Conclusions of Law

1. A16-01, an application to annex land located at 1680 Camp Baker Road and 3960 Hilsinger Road, and consisting of 2.47 acres and identified by parcel numbers 38 1W 16AC tax lots #500 & #600, **has been found to comply with the standards of review and approval for an annexation of unincorporated land into the City of Phoenix.**
 2. ZO16-0, an application to change the land use designation of land located at 1680 Camp Baker Road and 3960 Hilsinger Road, and consisting of 2.47 acres and identified by parcel numbers 38 1W 16AC tax lots #500 & #600, from Jackson County Rural Residential RR 2.5 to City of Phoenix Low Density Residential R-1 Hilsinger Overlay H-O, **has been found to comply with the standards of review and approval for an application to change land use designation.**
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Staff Recommendation

1. Planning Commission should recommend approval of A16-01 to City Council.
2. Planning Commission should approve ZO16-01, make findings and adopt conclusions of law, and direct the Planning Director to prepare an order to be executed expeditiously by an appropriate member of the Planning Commission and the Director.

Matt Brinkley, AICP
Planning Director
City of Phoenix
Department of Planning & Building

Date