

**EXHIBIT C, ORDER NO. 2021-3 ANX,
FINDINGS:
COMPLIANCE OF ANNEXATION C-739
WITH SRC CHAPTER 260 AND 260.060(c)**

- 1. The proposed petitioner-initiated annexation of that certain real property located at 681 Rees Hill Road SE (Territory) and more specifically described in Exhibit B, Council Order No. 2021-3 ANX in Annexation Case No. C-739, conforms to the following criteria found in SRC 260.060(c):**

Criterion 1: The proposed land use designations are consistent with the Salem Area Comprehensive Plan and applicable Statewide Planning Goals.

Under Salem Revised Code (SRC) 260.045, territory annexed to the City is automatically given the Salem Area Comprehensive Plan and zoning designations that are equivalent to the applicable County zoning designations, as set forth in Table 260-1, unless the petitioner or City Council proposes a new Comprehensive Plan/zone designation under SRC 260.045(a).

The petitioner proposed that the area within the Territory that lies predominantly west of the centerline of the proposed extension of Lone Oak Road SE through the Territory retain the Salem Area Comprehensive Plan designation of "Developing Residential" and be given the city zoning designation of RA (Residential Agriculture) that is equivalent to the Marion County zoning designation of UT-10 (Urban Transition – 10 Acre).

SRC 260.045(a)(1) allows the petitioner to request a new Comprehensive Plan designation and zoning designation other than the equivalent city designation in Table 260-1 in the petition for annexation. The petitioner proposed a Comprehensive Plan Change to "Parks, Open Space, and Outdoor Recreation" and a zone change to City of Salem PA (Public Amusement) for area within the Territory that lies predominantly east of the centerline of the proposed extension of Lone Oak Road SE that will run through the Territory.

Pursuant to SRC 260.045(b), the Planning Commission held a public hearing to review the proposed designations on May 18, 2021 and received a request from the Department of Land Conservation and Development to hold the record open. The Planning Commission granted the request to hold the record open until May 25, 2021 for additional testimony and until June 1, 2021 for responses. On June 1, 2021, the Planning Commission received additional testimony, held deliberations, and voted to recommend that the City Council adopt the proposed designations based on the petitioner meeting the Comprehensive Plan Change/Zone Change criteria of SRC 260.045(b)(1) through (4). The proposed designations are adopted by the City Council. These land use designations are consistent with the SACP and applicable Statewide Planning Goals as demonstrated by the following findings.

A. **Statewide Planning Goals** -- Statewide Planning Goals applicable to the proposed annexation are:

- (1) **GOAL 8. Recreational Needs.** Goal 8 requires local governments to plan for the recreation needs of their residents and visitors. Goal 8 states that local park providers may prepare local park master plans, and local governments may amend acknowledged comprehensive plans and zoning ordinances pursuant to the requirements and procedures of ORS 197.610 to 197.625 in order to implement such local park plans. If a local government decides to adopt a local park plan as part of the local comprehensive park plan, the adoption shall include a plan map designation, as necessary, to indicate the location and boundaries of the local park; and appropriate zoning categories and map designations, including objective land use and siting review criteria, in order to authorize the existing and planned park uses described in the local park master plan. The City has an adopted Comprehensive Park System Master Plan and has identified the need for a Community Park to serve residential development near the territory. The proposed annexation and land use designations will increase the city's inventory of lands suitable for park development. The location is in close proximity to existing and proposed residential development and is appropriate to provide recreational facilities for such housing. The proposed annexation is consistent with Goal 8.
- (2) **GOAL 10. Housing.** Goal 10 requires provisions for housing to meet the needs of residents. The proposed annexation of land predominantly west of the centerline of the proposed extension of Lone Oak Road SE with city RA (Residential Agriculture) zoning will increase the city's inventory of buildable lands for residential use. The increased inventory of land is a positive factor in providing for housing variety and availability. The location is in close proximity to existing residential development and is appropriate for such housing if the land is not developed for a park or open space use that would be a permitted in the RA (Residential Agriculture) zone. The City's Housing Needs Analysis and Buildable Lands Inventory indicate that the City has a surplus of land zoned for low-density residential development, including the RA (Residential Agriculture) or RS (Single Family Residential) zone designation that would automatically be applied to the entire Territory upon annexation if the proposed designations are not approved by City Council. The City's Our Salem project has identified needed multifamily land and will initiate conversion of that land in the near future. The subject property has been identified as needed park land, and the proposed Comprehensive Plan change to "Parks, Open Space, and Outdoor Recreation" and Zone Change to PA (Public Amusement) for the area of the Territory that lies predominantly east of the centerline of the proposed extension of Lone Oak Road SE would allow the property to be developed with a needed Community Park that will serve residential development near the territory. The proposed annexation is consistent with Goal 10.
- (3) **GOAL 11. Public Facilities and Services.** Goal 11 requires a plan or program for orderly and efficient arrangements of public facilities. The

city adopted a Public Facilities Plan (the Plan) consistent with Goal 11. The city applies the Plan to development of property within the city to achieve a timely, orderly and efficient arrangement of public facilities and services in a manner that supports both existing and planned growth. The Plan is implemented by the city's adopted master plans, Capital Improvement Plan (CIP), and the Urban Growth Management Process set forth in SRC Chapter 200.

The Territory is outside of the Salem Urban Service Area (USA) and will require the issuance of an Urban Growth Area (UGA) Preliminary Declaration pursuant to the Urban Growth Management Program under SRC Chapter 200 for development of the property as defined in SRC Chapter 200. The proposed annexation is consistent with Goal 11.

- (4) **GOAL 12. Transportation.** Goal 12 requires a jurisdiction to adopt a Transportation System Plan (TSP) that provides a safe, convenient and economic transportation system. The City has adopted a transportation plan acknowledged by the Oregon Department of Land Conservation and Development (DLCD) to further this goal. The TSP is applied to the transportation elements of new development under SRC Chapter 200 and other provisions of the Salem Area Comprehensive Plan and Zoning Code and to the transportation elements of the city's adopted master plans, the CIP, etc. as set forth in the discussion of Goal 11 above to provide safe and convenient pedestrian, bicycle, and vehicular circulation that is consistent with the TSP and the requirements of the State Transportation Planning Rule. As described in the finding for Goal 11 compliance above, and as described in the discussion of Criterion 3 below, the Territory will comply with Goal 12 when any new development occurs, and will be served by facilities compliant with Goal 12 to the extent that transportation-related improvements occur under the city's adopted master plans, the CIP, SRC Chapter 200 and the Zoning Code. The proposed annexation is consistent with Goal 12.
- (5) **GOAL 14. Urbanization.** Goal 14 mandates provisions for an orderly and efficient transition from rural to urban land use. The Territory is within the Salem-Keizer Urban Growth Boundary (UGB), which, by definition, makes this territory "urbanizable." The incorporation of contiguous areas, including the Territory, into the overall composition of the city provides order and efficiency in the provision of municipal facilities and services as well as in the facilitation of orderly urbanization. This is because the Salem Area Comprehensive Plan (SACP), Zoning Code and other applicable implementation measures have been acknowledged as being in compliance with Goal 14 and these measures will be made applicable to the Territory upon annexation. The applicable implementation measures are designed to provide order and efficiency in the provision of facilities and services, and to facilitate orderly urbanization by uniformly integrating the Territory into the City's municipal facilities and services system. This integration would provide for a uniform rather than an isolated, discontinuous, and fragmented system of services provided to areas not within the Salem city limits. The application of the city's Goal 14 acknowledged Salem Area Comprehensive Plan, Master Plans, and

implementation ordinances to the Territory furthers the conversion of urbanizable land to urban uses consistent with Goal 14 for the reasons cited above. The proposed annexation is consistent with Goal 14.

In summary, the proposed annexation is consistent with the applicable Statewide Goals.

B. Salem Area Comprehensive Plan (SACP) -- The SACP goals, policies and intent statements applicable to the proposed annexation are:

- (1) SACP Chapter II (Definitions and Intent Statements), Section A (Land Use Map), Subsection 3 (Plan Map Designations), Part a (Residential), (Developing Residential), (SACP pages 4-7):** The SACP classifies residential land in three ways: Single-Family Residential, Multi-Family Residential, and Developing Residential. The area of the Territory that lies predominantly west of the proposed centerline of the extension of Lone Oak Road SE is designated as Developing Residential, which applies to most urbanizable lands that are outside the city limits and Salem Service Districts and unserved by public water and sanitary sewers. Currently, the predominant uses within these areas are agriculture and residential on acreage parcels.

The future use of these areas is primarily single-family residential with schools, parks, and churches. The city's RA (Residential Agriculture) and RS (Single Family Residential) zones implement the Developing Residential designation by providing additional land used primarily for residential uses. The Territory to be annexed predominantly west of the proposed centerline of the extension of Lone Oak Road SE has the characteristics of the RA zone because it previously served as a yard of a single-family dwelling. It is not currently served by public water and sewer facilities. This is also consistent with the surrounding zoning and land use of the area. The Territory will automatically be zoned RA. Therefore, the proposed annexation is consistent with the Developing Residential SACP classification and implementing RA zone.

- (2) SACP Chapter II (Definitions and Intent Statements), Section A (Land Use Map), Subsection 3 (Plan Map Designations), Part a (Residential), Subpart 4 (Conversion of Developing Residential or Urbanizable Areas to Urban Development) (SACP page 7):** Urbanizable lands located outside the city limits must be annexed to the city to receive urban services. Some of the reasons for converting urbanizable land to urban land include: (1) providing for the orderly and economic extension of public facilities and services; (2) providing adequate land area for a variety of housing types and locations; and (3) maintaining an adequate supply of serviced or serviceable undeveloped land to meet the market demand for a variety of uses.

Annexation of the Territory allows for the future extension of public facilities and services consistent with the Salem Urban Growth Management Program through the master planning, CIP and SRC Chapter 200 (UGA) processes. Publicly funded capital improvements will depend on funding availability. Most new development in newly

annexed areas requires developer responsibility for extending public facilities as part of a common city infrastructure under an orderly plan for their extension. Furthermore, the addition of the Territory with RA zoning will expand the availability of residential land and locations within the city. The proposed annexation is consistent with the above SACP provision.

- (3) **SACP Chapter II (Definitions and Intent Statements), Section A (Land Use Map), Subsection 3 (Plan Map Designations), Part g (Parks, Open Space, and Outdoor Recreation) (SACP pages 9-10):** The “Parks, Open Space, and Outdoor Recreation” designation is characterized by a wide variety of parks, open spaces, and outdoor recreation sites.

The future use of these areas is primarily for parks and open space facilities to be managed by the city, such as neighborhood parks, large urban parks, and connector trails; open space which is incorporated into the design of a development, such as Capitol Mall and the grounds of the State Fair; open space which is maintained, at least in part, by natural conditions which limit more intensive use, such as Pringle Creek, Mill Creek, and agricultural land within the floodplain; and outdoor recreation uses such as golf courses. The City's PA (Public Amusement) zone implements this Plan map designation by providing additional land for uses classified as commercial entertainment (other than camps and recreational vehicle parks), major event entertainment, recreational and cultural community services, parks and open space, marinas, agriculture (other than marijuana production), and forestry. The area of the Territory that lies predominantly east of the proposed centerline of the extension of Lone Oak Road SE has characteristics suitable for the PA zone, as it is a large open space suitable for development with a city park. The uses allowed under the proposed PA zoning would provide recreational opportunities for the residents of the surrounding residential zones and developments. The Territory zoning will be PA (Public Amusement). The proposed annexation is consistent with the above SACP provision.

- (4) **SACP Chapter IV (Salem Urban Area Goals and Policies), Section A (Coordination Policies), Subsection 6 (Annexation Coordination) (SACP page 23):** The city must provide an opportunity for the affected county to comment on proposals for annexation of territory to the City of Salem.

Marion County was notified of the annexation and provided an opportunity to comment on the annexation. The county did not indicate any objections or comments. Therefore, the intent of the policy is met. The proposed annexation is consistent with the above SACP provision.

- (5) **SACP Chapter IV (Salem Urban Area Goals and Policies), Section C (Urban Growth), Subsection 1 (Annexation) (SACP page 26):** Marion and Polk Counties should encourage the orderly annexation to the City of Salem of land within the Salem Urban Area.

The Territory is located within the Salem Urban Area and is contiguous to the city limits. Annexation of the Territory allows for the orderly annexation of urbanizable land to the City of Salem. The proposed annexation is consistent with this policy.

- (6) **SACP Chapter IV (Salem Urban Area Goals and Policies), Section C (Urban Growth), Subsection 3 (UGB is Urbanizable) (SACP page 26):** Territory is considered available for annexation and development to the extent that it is urbanizable and located within the UGB.

The Territory is considered urbanizable because it is located within the UGB, and all needed facilities to support urban development are or can be made available under the City's existing public facilities plans and urban growth management program. Therefore, the Territory is considered available for annexation. The proposed annexation is consistent with the above SACP provision.

- (7) **SACP Chapter IV (Salem Urban Area Goals and Policies), Section D (Growth Management), Subsection 1 (Development Guided by Growth Management) (SACP page 27):** The conversion of urbanizable land shall be guided by the Growth Management Program (SRC Chapter 200).

SRC Chapter 200 establishes a comprehensive growth management program for the City of Salem. The Territory would lie within the Salem Urban Area, as defined by SRC Chapter 200. Conversion of the Territory to urban uses will be guided by the City's growth management program. The proposed annexation is consistent with the above SACP provision.

- (8) **SACP Chapter IV (Salem Urban Area Goals and Policies), Section D (Growth Management), Subsection 3 (Programming Development) (SACP pages 28):** The City shall provide levels of services to city residents consistent with community needs as determined by the City Council, within the financial capability of the city, and subject to relevant legal constraints on revenues and their applications. Considerations for the programming of development are: (a) The financial capability of the city to provide certain facilities and services as authorized through the budgetary process; (b) The technical requirements of public facility master plans; (c) The need for sufficient amounts of buildable land to maintain an adequate supply in the marketplace; and (d) The willingness of the development community to assume the burden of funding the cost of providing certain facilities.

These criteria are factored into the proposed annexation because the Growth Management Program imposes an equitable share of public facility costs on new development by requiring provisions for required facilities by the developer and/or system development charges in connection with the provision of required facilities by the City. Therefore, this policy is satisfied. The proposed annexation is consistent with the above SACP provision.

- (9) **SACP Chapter IV (Salem Urban Area Goals and Policies), Section D (Growth Management), Subsection 7 (Development Requiring Water and Sewer) (SACP page 29):** Development will only be allowed within the city limits where public sewer and water services are available and other urban facilities are scheduled pursuant to an adopted Growth Management Program.

The City of Salem adopted a Growth Management Program (SRC Chapter 200) that applies to the development of the Territory in the future. City services can be provided to the Territory in the future pursuant to the city's Growth Management Program. The proposed annexation is consistent with the above SACP provision.

- (10) **SACP Chapter IV (Salem Urban Area Goals and Policies), Section K (Open Space, Parks and Recreation), Subsection 1 (Parks Acquisition and Development) (SACP page 44):** Public parks shall be acquired and developed as recommended by the Comprehensive Park System Master Plan. Early acquisition of park sites shall be considered in anticipation of future needs and to minimize land costs as described in the Urban Growth Management Program.

The proposed annexation is of a parcel the City purchased for future development of a park. Development of the park will be according to the Comprehensive Park System Master Plan, which has identified the need for a Community Park to serve residential development near the territory.

In summary, the proposed annexation is consistent with the applicable provisions of the SACP.

Criterion 2: The annexation will result in a boundary in which services can be provided in an orderly, efficient and timely manner;

The annexation of unincorporated territory contiguous to the city limits will result in urban services being provided in a more orderly, efficient and timely manner. Unincorporated territory adjacent to the city limits prevents the orderly expansion of city services because gaps are created in the city's infrastructure, and services within those gaps must be provided by the county, or by the city pursuant to intergovernmental or other agreements. This results in inefficiencies due to discontinuous and fragmented methods of providing infrastructure and inefficiencies, as well as additional delays for any development proposal. The boundary resulting from the proposed annexation will provide a more compact and efficient urban form for providing urban services, because the services will be integrated into the existing city infrastructure, and potential jurisdictional conflicts will not exist. The proposed annexation complies with this criterion.

Criterion 3: The uses and density that will be allowed can be served through the orderly, efficient and timely extension of key urban facilities and services;

Comments provided by the various city departments indicate that the Territory in the proposed annexation may be served through the orderly, efficient and timely

extension of key urban facilities and services as outlined in the city's adopted master plans, CIP and public works and parks design and construction standards. No improvements to urban facilities and services are needed at this time to serve the Territory.

If new development is proposed for the Territory, additional urban facilities and services will be required and will be provided in accordance with the city's adopted master plans, CIP and Urban Growth Management process as set forth in SRC Chapter 200. The territory proposed for annexation lies outside the Urban Service Area. Pursuant to the City's adopted growth management program found in SRC Chapter 200, future development of the Territory must first obtain an Urban Growth Area (UGA) Permit to provide adequate public facilities, including water, sewer, stormwater, transportation, and park services that may be necessitated by the proposed new development. If such facilities are not provided at public expense under the city's adopted master plans, the CIP, etc., they will be provided at the developer's expense at the time of development. The proposed annexation complies with this criterion.

Criterion 4: The public interest would be furthered by the referral of the annexation to the voters.

The Petitioner has met the annexation, petition, application, information submission, fee, waiver and all other requirements for petitioner-initiated annexations including, but not limited to, those found in ORS Chapter 222, SRC Chapter 260, SRC 260.030, SRC 260.035, and SRC 260.040. A valid triple majority consent petition for annexation of the Territory has been signed and, thus, there is no need to hold an election in the Territory to be annexed. Annexations applied for after May 16, 2000 require approval of the voters of the city under Section 61 of the Salem City Charter and SRC 260.020. Pursuant to SRC 260.020(b), however, annexations mandated by state law are exempt from voter approval. Therefore, the city is not required to refer this proposed annexation to the voters. Regardless of this, the proposed annexation of the Territory conforms to the Salem Area Comprehensive Plan. Services can be provided consistent with the city's adopted master plans and Public Works design and construction standards. The annexation of unincorporated territory contiguous to the city limits will result in urban services being provided in a more orderly, efficient and timely manner. Therefore, although this proposed annexation is exempt from a referral to the voters, the proposal still meets the intent of this criterion, to be in the "public interest", for the reasons stated above.

2. State Law.

According to SRC 260.020(b), annexations mandated by state law may be decided by a vote of the City Council without a city-wide election on that issue. State law (ORS 222.111 to 222.180) was amended in 2016 through Senate Bill 1573 to require a city whose laws require a petition proposing annexation of territory to be submitted to the electors of the city to annex the territory without a vote upon receipt of petition for annexation submitted by all owners of land in the territory, provided that (1) the territory is included within the urban growth boundary of the city; (2) the territory is, or will be, subject to the acknowledged comprehensive plan of the city; (3) at least one parcel in the territory is contiguous to the city limits; and (4) the proposal conforms to all other requirements of city's ordinances.

The annexation petition was signed by all owners. The territory is located within the urban growth boundary and is subject to the Salem Area Comprehensive Plan. The property is a single parcel contiguous to the city limits. The proposal conforms to all other requirements of the city's ordinances. The proposed annexation complies with this criterion.

3. The proposed withdrawal of the Territory more specifically described in Exhibit B conforms to the following criteria found in SRC 260.065:

When withdrawal from a special service district is not automatic, the City Council shall decide on withdrawal from those special service districts. These withdrawals shall be made according to applicable state statutes governing the specific withdrawal.

The City will withdraw the Territory from Salem Suburban Rural Fire Protection District and replace those services with service from the City of Salem Fire Department.

ORS 222.520 establishes the process by which the Territory may be withdrawn from Salem Suburban Rural Fire Protection at the same time as the annexation.

No comprehensive plan provision or implementing ordinance of the City applies to the withdrawal decision, and none is amended in the process of making the decision. In addition, the decision to withdraw territory and serve the territory with city-supplied urban services rather than district-supplied services, does not have significant impacts on present or future land uses. Consequently, the withdrawal decision is not the kind of decision that requires application of land use laws.

G:\CD\PLANNING\CASE APPLICATION Files 2011-On\ANNEXATIONS\2020\ANXC-739 - 681 Rees Hill\Exhibit C (Findings) for Order No. 2021-3 ANX.docx