



Where Life is Sweet

Mayor and Members of the City Council

STAFF REPORT

For the Meeting of July 8, 2024

Title/Subject

Annexation & Comprehensive Plan Map Amendment - 3 Rivers Oregon Property LLC/Victory Lighthouse Church/Bankston 4N2801B Tax Lots 1500, 1502, & 1503 - 1940/1990/2180 NE 10th St

Summary and Background

Dennis Gisi, Larry Bankston, and Victory Lighthouse Church have submitted an application to amend the comprehensive plan map designation for approximately 25.9 acres of land located on the northeast corner of E Theater Lane and NE 10th St. The applicant proposes to annex the properties for future development purposes. Each property is contiguous with city limits in NE 10th St. The land is proposed for annexation as Low Density Residential (R-1). The comprehensive plan map amendment proposes to change the Future Residential designation to Low Density Residential (R-1).

The properties are under separate ownership. The owners have agreed to file a single application for comprehensive plan map amendment and application in order to be more efficient in terms of traffic analysis. Three Rivers Oregon LLC owns 12.91 acres of vacant land described as 4N2801B Tax lot 1500 and intends to develop the property residentially following annexation. Victory Lighthouse Church owns the 10.92 acre property described as 4N2801B Tax Lot 1503. The property currently contains a church which intends to expand its operations on the western portion and residentially develop the eastern portion of the lot. Larry & Florence Bankston own the 2.015 acre property described as 4N2801B Tax Lot 1502 which contains a single-family dwelling.

The properties sit within a generally rural, but urbanizing portion of the urban growth boundary. To the west sits the newly constructed Loma Vista Elementary School and several single-family subdivisions which are either under construction or are approved by the city and scheduled for construction. To the north and east sit rural single-family estates and undeveloped land. To the south sits the Country Squire Mobile Home Park, the Vista Mobile Home Park, and rural single-family development. Topographically, the site generally slopes downhill from the north to the south. Access to the site is provided by NE 10th Street and E Theater Lane.

The properties sit within the urbanizable portion of the urban growth boundary. The city's comprehensive plan map designates each parcel as Future Residential (FR). The county's zoning map designates the property as FU-10. The FU-10 is a residential urbanizable zone

intended to preserve large lots within the UGB to facilitate future urban level development. Since this land is within the UGB and designated as Future Residential, amending the comprehensive plan designation to Low Density Residential is an implementation of the existing comprehensive plan designation and assigns an urban density level to land that is already accounted for within the city's housing needs analysis and residential land inventory. Thus, there is no change to the city's housing capacity as a result of the amendment. The change is a fulfillment of the residential plan.

The housing needs analysis demonstrates that the city has adequate acreage within the residential inventory to accommodate 18,000 housing units over a twenty-year planning horizon. The housing needs analysis assumes a portion of the future residential land will develop with Low Density Residential designation, providing approximately 1,220 single-family homes or 16% of capacity. The proposed R-1 designation provides capacity of approximately 71 of those 1,220 units. Additionally, all lots may also be developed with two-family dwellings, thereby doubling the capacity to 142 units.

The applicants propose to annex the property with Low Density Residential (R-1) zoning. This designation allows single and two-family dwellings on lots with a minimum lot size of 8,000 square feet. The existing Victory Lighthouse Church is also a use permitted conditionally in the R-1 zone. No additional permitting is required to annex the property with an R-1 zoning designation. Future expansion or modification of the site will require modification of a conditional use permit subject to the requirements of §157.205 through §157.210 of the Hermiston Code of Ordinances. Other uses permitted in the R-1 zone are listed in §157.025 of the Hermiston Code of Ordinances.

When considering an amendment to the comprehensive plan map, the city must apply the criteria contained in the Hermiston Code of Ordinances, the comprehensive plan itself, the Hermiston Planning Area Joint Management Agreement, and state law. The City must consider the state's Transportation Planning Rule (TPR) in OAR 660-012-0060. In order to comply with the TPR, the applicants commissioned a transportation impact analysis (TIA) from PBS Engineering. The TIA considers potential development on the site and analyzes the impacts of that development within the planning horizon for the city's Transportation System Plan. City and ODOT staff reviewed the PBS TIA and determined the development will not have a significant effect on the studied intersections. A copy of ODOT's findings is attached to this report.

E Theater Lane is an urban minor collector from Highway 395 to NE 10th Street in the city's TSP. At NE 10th Street, it is downgraded to a rural collector. This rural designation reflects the urbanizable nature of the urban growth boundary, thereby retaining the collector status for future east/west connectivity but should develop as an urban collector as urban level development occurs along the frontage east of NE 10th Street. As the city grows eastward, the road development will necessarily reflect urban standards. E Theater Lane previously narrowed to 40 feet in right of way width at NE 10th Street. However, when Tax Lots 1502 and 1503 were partitioned in 2005, an additional 10 feet of right way was dedicated to E Theater Lane, bringing the right of way into compliance with collector standards. No additional right of way dedication is necessary for E Theater Lane. However, development will trigger street improvement to E Theater Lane in compliance with urban minor collector standards in the city's public works details.

§150.05 of the Hermiston Code of Ordinances provides the requirements for annexations. The requirements for annexation are as follows:

1. The proposal is in conformance with all applicable state annexation requirements.
2. The property is contained within the urban portion of the urban growth boundary as identified on the comprehensive plan.
3. The proposed zoning is consistent with the underlying comprehensive plan designation.
4. Findings of fact are developed in support or denial of the annexation.
5. All city services can be readily extended, and the property owner is willing to bear costs associated with sewer, water, and roads.

Chapter 156 of the Hermiston Code of Ordinances provides the procedures for amendments to the comprehensive plan. Specific criteria are not detailed within the code, but all amendments to the comprehensive plan and implementing ordinances are required to demonstrate compliance with the statewide planning goals and the Hermiston Comprehensive Plan policies. Findings of fact demonstrating compliance are attached as Exhibit A.

Public notice requirements have been satisfied through the following actions:

1. Notice was provided by direct mail to all property owners within 300 feet on May 22, 2024.
2. Notice was published in the Hermiston Herald on May 22 and 29, 2024 and on May 29 and June 5, 2024.
3. A sign displaying a notice of public hearing was placed on the property on May 22, 2024.
4. Oral announcement of any change to those times were made at the scheduled meeting.

Tie-In to Council Goals

Housing continues to be a council priority.

Fiscal Information

There is no fiscal impact resulting from amendments to the comprehensive plan. However, annexation will add the land to the city's property tax base. The properties have an assessed value of \$448,860. The property has the potential to add 71 or more dwellings. Residential development will likely generate approximately \$151,000 annually at full build-out.

Alternatives and Recommendation

Alternatives

The city council may choose to:

- Approve conversion and annexation of the property as proposed
- Deny conversion and annexation of the property at this time

Recommended Action/Motion

Staff recommends that the city council approve Ordinances #2358 amending the comprehensive plan map as proposed and approve Ordinance #2359 annexing the property as proposed.

Staff recommends the following motions:

- Motion to adopt findings of fact on conversion, annexation, and zoning designation
- Motion to impose conditions of approval

- Motion to approve Ordinance #2358 amending the City's Comprehensive Plan Map as proposed
- Motion to approve Ordinance #2359 annexing the property as proposed

Submitted By:

C.F. Spencer, Planning Director