

**INTERGOVERNMENTAL AGREEMENT  
STAFFORD URBAN RESERVE AREAS**

THIS INTERGOVERNMENTAL AGREEMENT ("Agreement") is made this 28th day of June 2017, by Clackamas County ("County"), Metro, the City of Lake Oswego, the City of Tualatin, and the City of West Linn (individually a "City", collectively the "Cities") (together the "Parties"). This is an addendum to the Intergovernmental Agreement between Metro and Clackamas County To Adopt Urban and Rural Reserves entered into pursuant to ORS 195.141 and ORS 190.010 to 190.110 and dated March 3, 2010 ("Reserves IGA").

**RECITALS**

1. The Metro Council and the Clackamas County Commission are working together to finalize the designation of urban and rural reserves by adopting findings in support of the decisions made by Metro, Clackamas County, Multnomah County, and Washington County in 2010;
2. Under state law, Metro and the three counties in the region are tasked with identifying those areas adjacent to the existing urban growth boundary (UGB) that are best suited for providing land to accommodate urban growth in the region over the next 40 to 50 years;
3. The Cities have long opposed the designation of Metro study areas 4A, 4B, 4C and 4D ("Stafford") as urban reserve because of concerns with regard to efficient use of existing and currently planned future public infrastructure investments and whether urban level public services can be efficiently and cost-effectively provided by appropriate and financially capable service providers;
4. The Parties recognize that resolving the dispute over the designation of Stafford will enable the parties to focus collaboratively on planning for and providing urban services and prioritizing the needed regional improvements to the transportation system, such as the widening of I-205 from Oregon City to Stafford Road;
5. The Parties enter into this IGA in order to alleviate the concerns of the Cities and better support the designation of Stafford under the Factors by ensuring an orderly process for any urbanization of Stafford where the Cities will have control over the planning, process and timing for the urbanization of Stafford, that the Parties will coordinate with one another and with any affected special districts serving Stafford on the effective date of this Agreement, and that Stafford will not be urbanized before appropriate urban services will be available; and
6. The Parties also desire to recognize that the Stafford Hamlet and surrounding area is a unique enclave in Clackamas County that has a long standing agricultural heritage, significant environmental assets, and valued open space that should be preserved through the concept planning process;

NOW, THEREFORE, it is mutually agreed that the Parties voluntarily enter into this Intergovernmental Agreement addressing issues and concerns raised by the Cities regarding the designation of Stafford as an urban reserve. Specifically, the Parties agree as follows:

1. **City Governance.** The Parties agree that Stafford will be governed by one or more of the Cities upon expansion of the urban growth boundary and annexation. The governing City will have the authority to decide what land uses should be planned for, and when and how municipal services will be provided. Notwithstanding anything to the contrary in the Reserves IGA, Exhibit B, Section 4, or Metro Code Sections 3.07.1105 to 3.07.1130 ("Title 11"), Metro and the County will oppose any future effort to incorporate a new city. Metro and the County will similarly oppose creation of any service district to provide water or sanitary sewer services in Stafford outside of a city, unless there is no practicable alternative to creation or expansion of a sewer district in order to remediate a health hazard created by development in existence on the effective date of this IGA.
2. **Completion of a City Concept Plan.**
  - a. The Parties recognize that the Cities will be the public bodies that have the responsibility to plan for any future urbanization of Stafford and that the urbanization of Stafford will only occur upon annexation to one or more of the Cities. Prior to adding any part of Stafford to the UGB, the City that will be responsible for annexing that part of Stafford must first have developed a concept plan for the area describing how the area will be planned and developed after inclusion in the UGB. The timing for commencement and completion of a concept plan will be up to the City.
  - b. The Cities will coordinate concept planning with one another and with the County and special districts serving Stafford on the effective date of this Agreement to determine which City or special district is the appropriate urban services provider for each part of Stafford. The Parties agree to develop a preliminary concept plan to address transportation, density, community character, and infrastructure issues to help ensure that future, more detailed sub-area "concept plans" can be developed and coordinated. The parties agree to participate in good faith in future planning efforts for Stafford, in coordination with each other, and with other public, private, and community stakeholders.
  - c. Each governing City will be responsible for determining the pace and timing of future development within an area to be incorporated into the UGB. The form and character of development will be determined through the concept planning process under Title 11 and Section 2 of this Agreement, and will be consistent with community values and environmental requirements.
  - d. The County shall not amend the Comprehensive Plan or Zoning and Development Ordinance or the Comprehensive Plan Map or zoning designations:
    - i. To allow within Urban Reserve areas, new uses that were not allowed on the date the Urban Reserve areas were designated, except those

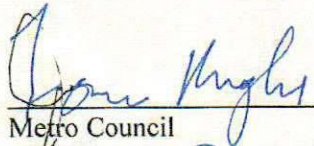
uses mandated by amendments to the Oregon Revised Statutes or Oregon Administrative Rules enacted after designation of Urban Reserves.

- ii. To allow within Urban Reserve areas, the creation of new lots or parcels smaller than allowed on the date Urban Reserve areas were designated, except as mandated by amendments to the Oregon Revised Statutes or Oregon Administrative Rules enacted after designation of Urban Reserves. The purpose of the designation is to preserve lands for potential future urban development, not to facilitate or expedite their development under County zoning.
  - e. Notwithstanding anything to the contrary in Metro Code 3.07.1110(d), Metro agrees that the concept plan or plans developed pursuant to Section 2 of this Agreement will be used to designate 2040 design types for Stafford and to develop conditions in the Metro ordinance that adds any Stafford territory to the UGB. The Parties agree that the concept plans will govern amendments to the Cities and County comprehensive plans and land use regulations following addition of the area to the UGB.
3. **Citizen Involvement.** The Parties agree that future decision-making regarding the timing and content of concept planning and the expansion of the UGB must involve the participation of citizens from the Stafford community, as well as other stakeholders, and will take into account public testimony about desired community character, preservation of natural features, and other community concerns when developing the concept plans.
  4. **Urban Services Agreements.** At such point in time that any portion of Stafford is included within the UGB, the City that is responsible for urbanization of that area will negotiate and enter into an urban services agreement pursuant to ORS 195.065 with any special district that is providing services to that area of Stafford on the effective date of this Agreement or that may be created thereafter pursuant to Section 1 of this Agreement.
  5. **Grant Funding for Transportation Planning.** Metro and the County will undertake a transportation planning project using the \$170,000 Community Planning and Development Grant from Metro to the County to study and plan for transportation and other public infrastructure conditions and needs in the Stafford area. Work on this planning project is anticipated to begin once Metro and the County have finalized the decision on urban reserves.
  6. **Support for Widening I-205.** The Parties agree to continue to support the Joint Policy Advisory Committee on Transportation's decision to make widening I-205 from Oregon City to Stafford Road a top priority for regional transportation projects in order to help address the significant transportation infrastructure issues related to future urbanization of Stafford as well as other regional transportation needs.

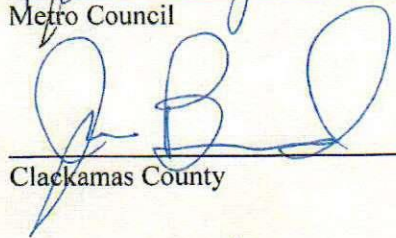
7. **Transportation and Infrastructure Improvements.** Urbanization and urban development will be planned to coincide with transportation and infrastructure improvement necessary to serve such development.
8. **The Findings.** This IGA will be entered into the record of the Metro and Clackamas County proceedings on the remand of the 2010 Stafford urban reserve designation. The Metro and County remand findings will cite this IGA as evidence necessary to meet the designation requirement under ORS 195.145(5)(c) and OAR 660-027-0050(3) that the Stafford area can be served by urban level public facilities and services efficiently and cost-effectively by appropriate and financially capable service providers.
9. **No Appeal by the Cities.** In consideration for the promises and commitments made herein, the Cities agree that the Cities will not challenge the designation of Stafford as Urban Reserve either before the State of Oregon Land Conservation and Development Commission or by appeal to the Oregon Court of Appeals.
10. **Governing Law.** The laws of the State of Oregon will govern this Agreement and the Parties will submit to the jurisdiction of the courts of the State of Oregon.
11. **Amendments.** This Agreement may be amended at any time with the written consent of all Parties.
12. **Severability.** If any covenant or provision of this Agreement is adjudged void, such adjudication will not affect the validity, obligation, or performance of any other covenant or provision which in itself is valid if such remainder would then continue to conform with the terms and requirements of applicable law and the intent of this Agreement.
13. **Term.** This Agreement shall be effective upon execution by all Parties identified herein. This Agreement will terminate on the same date as the Reserves IGA, December 31, 2060, unless terminated earlier by agreement of the Parties. If during the term of this Agreement there is a change in applicable law or other circumstance that materially affects compliance with one or more provisions of this Agreement, the Parties agree to negotiate in a good faith a revision to this Agreement to address such law or circumstance in manner consistent with the intent of this Agreement.

[Signatures on Following Page]


IN WITNESS WHEREOF, each party has caused this Intergovernmental Agreement to be executed by its duly authorized representative on the date first mentioned above.

  
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Metro Council

Dated: June 28, 2017

  
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Clackamas County

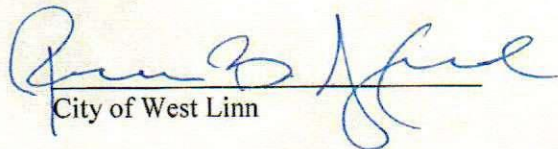
Dated: June 28, 2017

  
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City of Lake Oswego

Dated: June 28, 2017

  
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City of Tualatin

Dated: June 28, 2017

  
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City of West Linn

Dated: June 28, 2017