

**ORDINANCE NO. 1233**

**AN ORDINANCE AMENDING THE CITY OF PRINEVILLE COMPREHENSIVE PLAN MAP DESIGNATION OF PROPERTY FROM HEAVY INDUSTRIAL TO RESIDENTIAL AND THE ZONING MAP DESIGNATION FROM LIGHT INDUSTRIAL (M1) TO GENERAL RESIDENTIAL (R2)**

**WHEREAS**, the City of Prineville (“City”) Code establishes the policy and procedure to change the Zoning map designation and Comprehensive Plan Map designation of a property. Pursuant to such City policy and procedure a property owner or a property owner’s authorized representative may initiate a request to change the zoning map designation and Comprehensive Plan Map designation of a property ; and

**WHEREAS**, Slater Investment Group LLC as authorized representative for James Hayes, the owner of property described as parcel 1 of partition plat 1991-31 (the Property), shown in Exhibit A, also known as T14, R16, S32BA Tax Lot 1900 has applied to change the zoning map designation of the Property from light industrial (M-1) to general residential (R-2) and the comprehensive plan map designation from heavy industrial to residential; and

**WHEREAS**, all required notice was provided in accordance with state law and city ordinance, including notice to the State Department of Land Conservation and Development, newspaper notice and notice to neighboring property owners; and

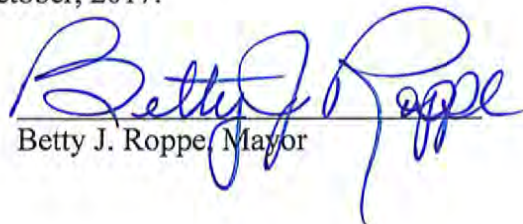
**WHEREAS**, the City Planning Commission held a public hearing on October 3, 2017 in order to solicit comments from neighbors and other members of the community; and

**WHEREAS**, after hearing citizen input and considering the staff report and all items in the record the City Planning Commission approved the request for the Zone Map Change to General Residential (R-2) and the Comprehensive Plan Map amendment to Residential for the Property and requests the City Council adopt the amendments of the Comprehensive Plan Map designation and the zoning map designation of the Property;

**NOW, THEREFORE, THE PEOPLE OF THE CITY OF PRINEVILLE ORDAIN AS FOLLOWS:**

1. The Comprehensive Map designation of the Property is changed from Heavy Industrial to Residential in accordance with the attached Exhibit B.
2. The Zone Map designation of the Property is changed from Light Industrial (M-1) to General Residential (R-2) in accordance with the attached Exhibit C.

Adopted by the City Council on the 24th day of October, 2017.

  
Betty J. Roppe, Mayor

Attest:   
Lisa Morgan, City Recorder



**City of Prineville**  
DEPARTMENT OF PLANNING & COMMUNITY DEVELOPMENT  
CITY COUNCIL STAFF REPORT

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**Date:** October 10, 2017

**File Number:** AM-2017-102

**Location:** T14, R16, S32BA, TL01900.

**DLCD notice:** August 28, 2017

**Neighbor notice:** September 12, 2017

**Newspaper notice:** September 26, 2017 and September 29, 2017

**Planning Commission:** October 3, 2017

**Proposal:** The applicant is proposing to amend the Comprehensive Plan Map designation for this property from Heavy Industrial to Residential and amend the City's zoning for this property from Light Industrial (M1) to General Residential (R2). The purpose of the amendment is to correct a zoning error that makes the site consistent with adjacent properties and to allow the applicant to request development of the site as a multifamily complex via a conditional use permit (CU-2017-107) being run concurrently with this request.

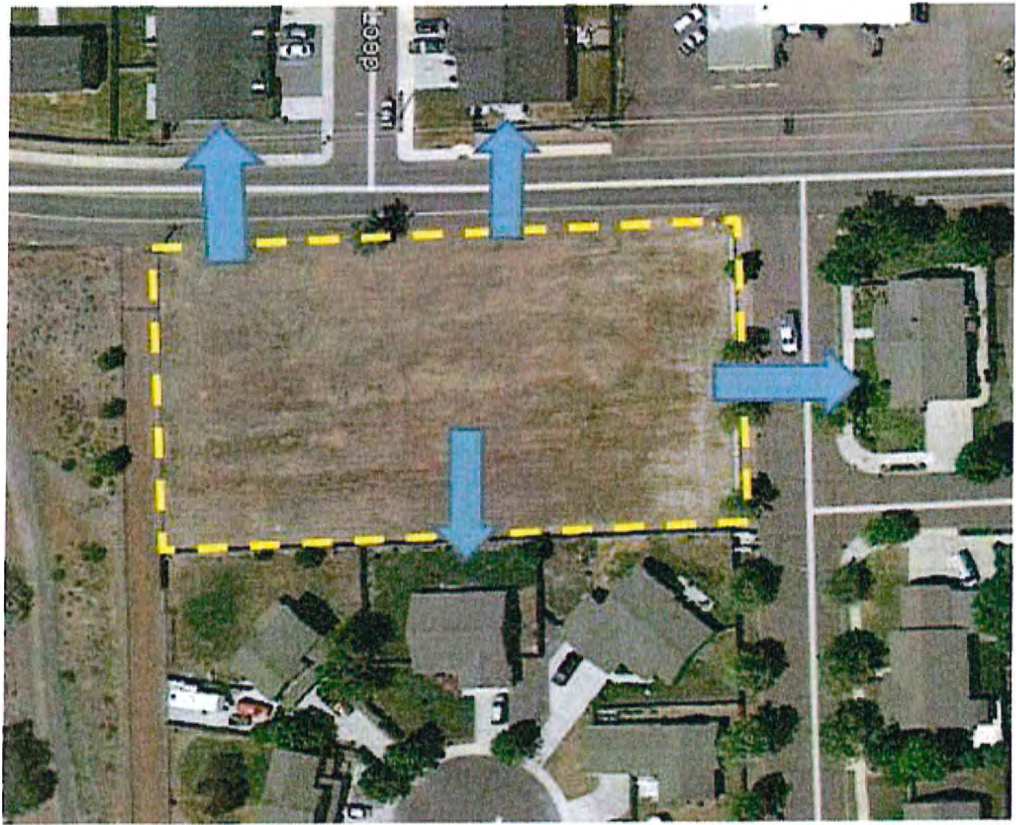
**Applicant:** Dr. Paul Slater

**Property Owner:** Dr. Paul Slater by contract.

**Applicable Criteria:** City's Comprehensive Plan, Land Use Code Chapter 153, City's Transportation System Plan, Statewide Planning Goals, and ORS 197.610.

**Staff Contact:** Phil Stenbeck, CFM Planning Director – (541) 447-8338.

**Proposal:** In accordance with Prineville Code 153.230, the applicant is requesting a zone change and comprehensive map amendment. This amendment proposes to change the Comprehensive Plan and Zoning Map designation of the proposed site from a Comprehensive Plan designation of Heavy Industrial to Residential and a Zone Change from Light Industrial (M-1) to General Residential (R-2). Please see the map below and Exhibit A and B for map amendment details. Any public infrastructure improvements (water, sewer, streets, etc.) are being deferred to approval of a development request.



### Conclusions

Based on the application and evidence including the applicants burden of proof, the staff report, evidence entered in the public hearing, Chapter 5 Economy of the City Comprehensive Plan and the City TSP, the Planning Commission determined the proposed Comprehensive Plan Map and Zoning Map amendments are consistent with the City's Zoning Ordinance and Comprehensive Plan as well as Statewide Planning Goals, statutes and administrative rules including OAR 660-009-0010(4).

The Planning Commission voted unanimously to approve the request in a vote of 5 in favor, 0 opposed, with 1 absent.

The Planning Commission requests the City Council adopt Ordinance 1233 making the Comprehensive Plan Map and Zoning Map changes.

### **Written Comments received on October 4, 2017.**

On October 4, 2017, City Planning staff received an e-mail with a letter attached from Louise Dix, AFFH Specialist Fair Housing Council of Oregon and Jennifer Bragar, President Housing Land Advocates in which they applaud the City's aim of increasing its residential land supply. FHCO and HLA also request in the letter that the Planning Commission not make a decision until additional information is added into the record which shows how the requirements found in Goal 10 are met. In response to their request, Planning staff have added the following evidence/information to the record which explains in greater detail how the proposal meets the requirements found in Goal 10 as requested and have attached as Exhibit F a copy of the City's Buildable Land Analysis and Future Land Needs Analysis which answers questions about Goal 10 requirements.

### **Executive Summary**

Oregon Statewide Planning Goal 10 is the State's Housing Goal. Goal 10 is instrumental in providing a range of housing opportunities for Oregonian's of all economic, age, and disabilities. Communities are required to comply with certain housing requirements found in Goal 10, which are established by evidence in the form of inventories and research which describe the existing housing inventories in a community, their locational attributes and ultimately show what types of housing are needed and generally where in the community.

The proposed site is located adjacent to the Peters Road and Mariposa Avenue intersection in the north area of the City and is surrounded on three sides by residential lands in the City. As found in the City Housing Chapter of the Comprehensive Plan, housing in this area is planned to be General Residential (R-2) zoned land. Previously in 2008, the City had changed the lands surrounding this property to R-2 zoning and a Residential Plan designation. The owner of this site at that time was unable to be reached by the City, so the land was not changed to Residential at that time. The City identified the site as having an inappropriate zone designation of Industrial and identified it as being appropriately zoned as residential along with the adjacent properties on the north south and east sides of the site. The Site which is in City Limits has been identified in the Chapter 5 of the City's Comprehensive Plan as appropriate for rezoning to a residential zoning. In this case, where the site is in the City and is adjacent to R-2 zoned land and a Residential Comprehensive

Plan designation, the City's Comprehensive Plan dictates that the site should be zoned in a manner similar to the surrounding residential zoning.

Concern # 1 from the FHCO/HLA letter

**1) *The proposed amendment to the Comprehensive Plan Map and Zoning Map must be in compliance with the Statewide Planning Goals. ORS 197.175(2)(a).***

197.175 Cities' and counties' planning responsibilities; rules on incorporations; compliance with goals. (1) Cities and counties shall exercise their planning and zoning responsibilities, including, but not limited to, a city or special district boundary change which shall mean the annexation of unincorporated territory by a city, the incorporation of a new city and the formation or change of organization of or annexation to any special district authorized by ORS 198.705 to 198.955, 199.410 to 199.534 or 451.010 to 451.620, in accordance with ORS chapters 195, 196 and 197 and the goals approved under ORS chapters 195, 196 and 197. The Land Conservation and Development Commission shall adopt rules clarifying how the goals apply to the incorporation of a new city. Notwithstanding the provisions of section 15, chapter 827, Oregon Laws 1983, the rules shall take effect upon adoption by the commission. The applicability of rules promulgated under this section to the incorporation of cities prior to August 9, 1983, shall be determined under the laws of this state.

(2) Pursuant to ORS chapters 195, 196 and 197, each city and county in this state shall:

(a) Prepare, adopt, amend and revise comprehensive plans in compliance with goals approved by the commission;

**FINDING 1** – Planning staff find that the proposed plan amendment and zone change is consistent with ORS 197.175(2)(a), because the evidence in the record submitted by the applicant, the staff report and record and this report present evidence which flows from the City's adopted 2007 Comprehensive Plan (more specifically Chapter 7 Housing and Chapter 5 Economy) and subsequent updates, which have been acknowledged by Oregon's Land Conservation and Development Commission (LCDC). Staff also finds that the City's Comprehensive Plan (more specifically Chapters 7 Housing and Chapter 5 Economy) were updated from an appropriately designed Goal 10 housing analysis which has been acknowledged by the LCDC, which established the following facts and evidence used to make a decision in favor of the requested plan amendment and zone change to residential land. Staff also finds the City's acknowledged Comprehensive Plan is given standing in Oregon's Statewide Land Use Program as the community's agreed upon land use vision for the community as required by ORS 197.175(2)(a).

Concern # 2 from the FHCO/HLA letter

**2) *However, the staff report for this proposal does not make Statewide Planning Goal 10 (Goal 10) findings.... When a decision is made affecting the residential land supply, the City must undertake a complete Goal 10 analysis.***

**FINDING 2** – Planning staff find that the Goal 10 analysis was completed for updating Chapter 7 of the City's Comprehensive Plan, as mentioned and found in Chapter 7, which was further used to identify the Site in Chapter 5 of the City's Comprehensive Plan as needing to be rezoned to residential. Staff also finds that the information in this report from Chapter 7 Housing of the City Comprehensive Plan, the Planning Commission staff report and evidence from Chapter 5 Economy of the City's Comprehensive Plan show that the site is needed as residential land and that the City determined that it is appropriate to rezone the land to General Residential (R-2) zoning after going through the analysis requirements found under Statewide Planning Goal 10.

Concern # 3 from the FHCO/HLA letter

**3) The Goal 10 analysis was not included in the staff report which requires the City to inventory buildable lands for residential use.**

**FINDING 3** – Planning staff find that the following information that flows from Chapter 7 Housing of the City's Comprehensive Plan is evidence that this proposal is consistent with the analysis requirements found under Statewide Planning Goal 10. Chapter 7 of the City's Comprehensive Plan was updated using a Goal 10 analysis (attached as Exhibit B) which met all the requirements found in Goal 10. Additionally, Chapter 5 Economy of the City's Comprehensive plan was updated further embellishing the City position that this site is needed as residential land.

**Prineville Comprehensive Plan**  
Chapter 7 Housing (Page 109 -111)

*Purpose and Intent*

The purpose of this chapter is to ensure the provision of appropriate types and amounts of land within urban growth boundary supporting a range of housing types necessary to meet current and future needs. These lands should support suitable housing for all income levels. Likewise, the Plan must also ensure that the appropriate type, location and phasing of public facilities and services are sufficient to support housing development in areas presently developed or undergoing development, or redevelopment.

In addition to inventories of buildable lands, this chapter of the Plan includes: (1) a comparison of the distribution of the existing population by income with the distribution of available housing units by cost; (2) a determination of vacancy rates, both overall and at varying rent ranges and cost levels; (3) a determination of expected housing demand at varying rent ranges and cost levels; (4) allowance for a variety of densities and types of residences; and (5) an inventory of sound housing in urban areas including units capable of being rehabilitated.

The Prineville community contains a variety of housing choices and vacant and redevelopable lands. Single-family homes are the dominant housing type. However, the City Housing Model data shows that additional lands for mixed-use and multi-family housing need to be addressed. This chapter examines housing supply, condition, occupancy, affordability, and available land supply to meet community needs over the 20 year planning horizon. Implementation programs for meeting future housing demand are also included in this chapter.

*Affordability*

The affordability of housing is a significant determinant to the livability and sustainability of the Prineville community. Housing affordability affects all segments of the local population. According to federal housing guidelines, no more than 30% of a family's gross monthly income should be spent on housing, including heating and other bills.

### *Housing Needs Model*

State of Oregon has developed a housing model that can predict the type and number of units needed for the desired growth period. The model is attached to this report and shows that an additional 1301.3 acres of residential land are needed beyond the recent 2004 UGB expansion. Some of the needed lands will be supplied by the rezoning of 569.0 acres of inappropriately zoned industrial lands as noted above. Remaining acreages may be obtained by expanding the UGB in appropriate areas as determined by additional study and findings necessary to meet State law. This program, in addition to other analysis techniques and planning tools, will enable the City to examine housing needs on a macro level with opportunity for local calibration. The program will enable the City to maintain consistent review of the housing environment and is a tool for the monitoring of housing needs and development of land and unit need projections. It is the basis for establishing accurate inventories and accommodates any needed revisions through local calibration and data collection. Use of the model, over time, will produce different outputs dependant upon changing characteristics and market trends in the community related to all needed housing types. The complete housing model and the 2005 outputs are available in the appendix of this document.

### *Issues, Goals, Policies, and Programs*

Available, affordable, safe housing are critical ingredients to the success of how a community accommodates population growth. The attractiveness of Prineville to new residents relies upon the availability of many housing choices to accommodate varied citizen demands and pricing thresholds.

To understand the future of housing needs in Prineville, it is important to assess and analyze the existing characteristics of the community's housing stock. Various factors must be taken into consideration to obtain a clear picture of the situation. The following elements should be examined:

- Trends in housing types;
- Age of structures;
- Condition and value of structures;
- Household demographics;
- Income levels of households;
- Percentage of income spent for housing;
- Occupancy patterns;
- Vacancy rates;
- Ownership and rental trends

The tables in this section include data from the recent census and local economic development agencies, and other experts. Information was also obtained from other resources including DLCD, Crook County, EDCO, and personal interviews with Central Oregon Regional Housing Authority CORHA staff, local bank representatives, housing service providers, and others as noted. The data helps local decision makers understand the various aspects of housing and population change.

This chapter also takes into account the effects of utilizing financial incentives and resources to (a) stimulate the rehabilitation of substandard housing without regard to the financial capacity of the owner so long as benefits accrue to the occupants; and (b) bring into compliance with codes adopted to assure safe and sanitary housing the dwellings of individuals who cannot on their own afford to meet such codes.

### *Historical Housing*

Prineville is the oldest community in Central Oregon and the housing choices reflect the historical nature of the City. Prineville's history as a timber and agricultural community has shaped the stock of existing housing. Mill workers and agricultural workers typically lived in town near employment. Many millhouses are located near former mills and shipping areas. These homes are typically less than 1200 square feet in size and similar in style. Many do not have connections to City water and sewer services and lack efficient heating and proper insulation. Other areas of the community, near the central core, contain older homes in various condition where most are connected to community infrastructure. Over the years and as the community economic situation diversified so has the variety of housing. A quick visual tour of Prineville shows a range of housing from older mill worker residences, Victorian-era homes to more modern homes developed post WWII. A recent influx of bedroom-community homes and recreational housing is evident throughout the community. Well-designed subsidized housing is also a new feature in the community.

### *Effects of Growth*

Prineville has experienced unprecedented residential development within the UGB in the last 10 years. A significant amount of the new housing has been built between 1994 and 2004. This consists of primarily detached, single family dwellings although a few large attached multi-family dwelling projects occurred during the same time. For the most part, these new dwelling units were built within the 2007 City limits.

While this growth has put a strain on public services, a positive aspect of this housing boom is that the newer dwelling units have been built under modern and more energy efficient structural, electrical, plumbing, and energy codes. The area between the City limits and the UGB tends to remain relatively rural with large lot development and agricultural uses that

are transitioning to small family/hobby farms. Where development or redevelopment does occur on these UGB lands, it is primarily limited to detached, single-family subdivisions.

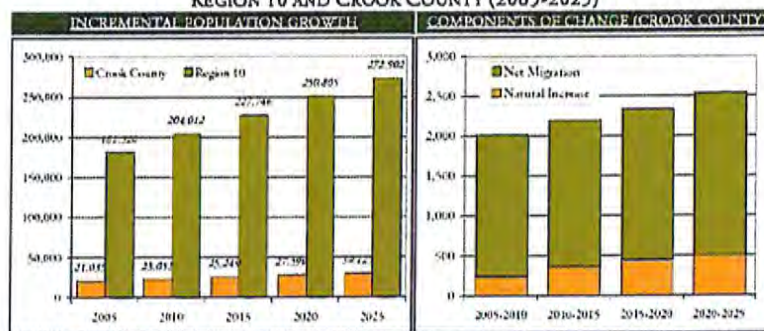


*Snapshot of the Housing Market*

The housing market in Central Oregon is changing. A greater share of families/households is fundamentally “priced out” of Deschutes County (Bend, Redmond and Sisters), and thus, buyers are considering alternative options in Prineville.

Over the next twenty years, the Oregon Office of Economic Analysis expects regional and county level population to continue a healthy growth pattern. Through 2025, State forecasts estimate an additional 91,382 individuals are expected to permanently reside within Region 10 (Deschutes, Jefferson and Crook Counties), 9,090 of which will locate in Crook County, roughly 9.94%. Additionally, roughly 82.3% of anticipated Crook County population growth will be realized through net in-migration. Total new ownership demand in Prineville is expected to exceed 3,510 units over the next ten years. The total demand profile by age indicates sizable demand from existing households among middle age and pre-retirees. Approximately 34% of all ownership demand is expected to be derived from households of 35-54 years. In other words, turnover demand from existing younger household will likely combine with demand from elderly households to provide a diverse range of qualified buyers within the primary market area over the next five to ten years.

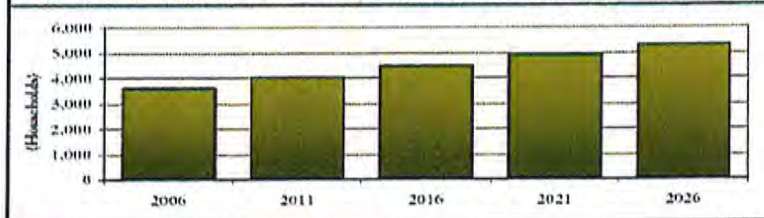
20-YEAR POPULATION PROJECTION  
REGION 10 AND CROOK COUNTY (2005-2025)



SOURCE: Oregon Office of Economic Analysis

BASELINE HOUSEHOLD GROWTH SCENARIO  
PRINEVILLE, OREGON

Growth Area	Estimates						'06-'26 Change
	2005	2006	2011	2016	2021	2026	
Region 10 17	186,865	191,282	214,984	239,094	264,293	287,579	96,297
City of Prineville 2/	9,080	9,295	10,446	11,662	12,842	13,974	4,679
Prineville Capture of Regional Population	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	0%
Average HH Size in Prineville 3/	2.58	2.58	2.60	2.67	2.62	2.63	0.05
Estimated Household Growth	3,519	3,599	4,025	4,472	4,901	5,306	1,707



**Prineville Comprehensive Plan**

Chapter 7 Housing (Page 115)

Distribution of the existing population by income.

Table H-7  
AGE BY INCOME DISTRIBUTION OF HOUSEHOLDS  
PRINEVILLE, OREGON (2006-2016)

Household Income Range 1/	Age of Householder								Age of Householder							
	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
<b>2006</b>																
Under \$15,000	60	69	108	107	52	168	216	779	17	20	32	31	15	49	62	227
\$15,000-\$24,999	46	150	87	67	69	68	124	611	13	44	25	20	20	20	36	178
\$25,000-\$34,999	61	171	143	33	61	80	50	600	18	50	42	10	18	23	15	175
\$35,000-\$49,999	79	176	151	120	65	35	39	664	23	51	44	35	19	10	11	194
\$50,000-\$74,999	46	150	115	120	136	36	25	628	13	44	34	35	40	11	7	183
\$75,000-\$99,999	0	46	59	55	26	9	6	201	0	13	17	16	8	3	2	59
\$100,000-\$149,999	0	16	21	46	21	6	8	119	0	5	6	13	6	2	2	35
\$150,000-\$249,999	0	12	0	1	11	1	16	41	0	3	0	0	3	0	5	12
\$250,000-\$499,999	0	0	0	1	0	1	6	8	0	0	0	0	0	0	2	2
\$500,000 or More	0	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>291</b>	<b>791</b>	<b>644</b>	<b>549</b>	<b>440</b>	<b>405</b>	<b>491</b>	<b>3,651</b>	<b>85</b>	<b>231</b>	<b>200</b>	<b>160</b>	<b>128</b>	<b>118</b>	<b>142</b>	<b>1,064</b>
<b>2011</b>																
Under \$15,000	77	89	139	138	67	217	278	201	23	27	41	41	20	64	83	299
\$15,000-\$24,999	59	194	112	86	89	88	160	101	18	58	33	26	27	26	48	235
\$25,000-\$34,999	79	221	185	42	79	103	65	-14	23	66	55	13	23	31	19	230
\$35,000-\$49,999	102	227	196	155	83	45	50	-52	30	68	58	46	25	14	15	255
\$50,000-\$74,999	59	194	149	155	176	47	32	-27	18	58	44	46	52	14	9	241
\$75,000-\$99,999	0	59	76	71	33	12	8	8	0	18	23	21	10	4	2	77
\$100,000-\$149,999	0	21	27	59	27	8	11	11	0	6	8	18	8	2	3	46
\$150,000-\$249,999	0	15	0	2	14	2	21	21	0	5	0	0	4	0	6	16
\$250,000-\$499,999	0	0	0	2	0	2	8	8	0	0	0	0	0	0	2	3
\$500,000 or More	0	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>376</b>	<b>1,022</b>	<b>884</b>	<b>709</b>	<b>568</b>	<b>523</b>	<b>634</b>	<b>4,716</b>	<b>112</b>	<b>304</b>	<b>263</b>	<b>211</b>	<b>169</b>	<b>155</b>	<b>188</b>	<b>1,402</b>
<b>2016</b>																
Under \$15,000	100	116	181	179	87	281	361	1,305	40	47	73	72	35	113	145	526
\$15,000-\$24,999	77	252	146	112	116	114	208	1,024	31	102	59	45	47	46	84	413
\$25,000-\$34,999	102	287	240	55	102	134	84	1,005	41	116	97	22	41	54	34	405
\$35,000-\$49,999	132	295	254	201	108	59	65	1,113	53	119	102	81	44	24	26	449
\$50,000-\$74,999	77	252	193	201	228	61	41	1,052	31	102	78	81	92	25	17	424
\$75,000-\$99,999	0	77	98	92	43	16	10	536	0	31	40	37	17	6	4	136
\$100,000-\$149,999	0	28	35	77	35	10	14	199	0	11	14	31	14	4	6	80
\$150,000-\$249,999	0	20	0	2	18	2	27	69	0	8	0	1	7	1	11	28
\$250,000-\$499,999	0	0	0	2	0	2	10	14	0	0	0	1	0	1	4	6
\$500,000 or More	0	0	0	0	0	0	2	2	0	0	0	0	0	0	1	1
<b>TOTAL</b>	<b>488</b>	<b>1,325</b>	<b>1,146</b>	<b>920</b>	<b>737</b>	<b>678</b>	<b>822</b>	<b>6,118</b>	<b>197</b>	<b>535</b>	<b>462</b>	<b>371</b>	<b>297</b>	<b>274</b>	<b>331</b>	<b>2,466</b>

Over the next ten years, new household growth are estimated to generate an additional 1,569 ownership households in the City of Prineville. A considerable proportion of growth, roughly 37%, will be derived from households earning less than \$25,000 annually, indicating a significant number of senior and retired buyers with non-income wealth. This condition is exemplified by 37.5% of the new households entering the area falling in the 55+ age. However, working age/family households are also expected to have an increased presence in coming years. Households aged 25-44 earning between \$35,000 and \$99,999 are projected to grow by 132% over the next ten years.

*Turnover Demand*

When turnover demand is considered, total new ownership demand in the area exceeds 3,510 units over the next ten years. The total demand profile by age cohort indicates sizable demand from existing households among middle age and pre retiree cohorts. Roughly, 34% of all ownership demand is expected to be derived from households of 35-54 years. In other words, turnover demand from existing younger household will likely

combine with structural demand from elderly households to provide a diverse range of qualified buyers within the primary market area over the next five to ten years.

#### *Housing Affordability*

Housing costs in Prineville, as compared to other Central Oregon cities, has been traditionally very favorable. Federal housing affordability standards recommend that no more than 30 % of household income be dedicated to mortgage payments. However, Census data shows that more than 22% of Prineville homeowners pay more than 30 percent of their income for mortgage payments. Renters tend to pay more than 31% of household income on gross rent.

Thus, many Prineville households are spending more for shelter than they should. Alternatives to this situation range from more housing choices such as the development of more affordable housing types (like townhouses, zero-lot line homes, multi-family structures, manufactured housing or condominiums), and a better jobs market.

#### *Urban Interface Areas*

Citizens have expressed a need for a Comprehensive Plan Policy and associated implementation program that would help reduce the potential negative effects sometimes associated with urban levels of development abutting established lower density area uses inside the City limits and/or abutting the Urban Growth Boundary (UGB) and outside of the City limits. While it is recognized that rural lands in the UGB will likely redevelop and lower density areas will urbanize to their ultimate Plan designation, it is necessary to provide a policy that transitions growth in these areas.

#### *Inventory of sound housing in urban areas*

The bulk of the housing stock was built since 1960 with a significant portion built post-WWII. This has resulted in many homes in need of repair and upgrading in order to meet current building codes and energy efficiency regulations. Many of the older homes are located in areas without access to community water and sewer services. The result is demonstrated water contamination and extra cost to homeowners who have to take special

measures to ensure properly working private well and septic systems. Public health and safety issues are a concern as populations increase. This situation presents a significant problem with regard to community health and redevelopment potential. A number of homes may appear to satisfy affordable housing cost targets but they may have infrastructure problems that are not easy to catalog and identify. Thus, the number of true affordable housing units without serious basic service issues is difficult to assess. The water and sewer service rate structures are not yet high enough to enable the community to qualify for special grants and loans for extending infrastructure to disadvantaged areas. Other measures to extend public services to all areas of the community are underway.

Goal # 1: Encourage a wide range of housing types satisfying the urban development needs of the Prineville community.

### Housing Values and Policies

- It is necessary to provide adequate buildable residential land for the 20 year planning horizon.
- It is necessary to accommodate growth and provide mechanisms to ensure that a variety of housing options for all income levels are available in both existing neighborhoods and new residential areas.
- The community should maintain the feel of a small community through careful design of new and redeveloping residential areas.
- The Prineville community needs a full range of housing types to sustain a healthy community.
- The Prineville community desires to encourage and sustain affordable housing while protecting the physical characteristics of land relating to soils, slope, erosion, drainage, natural features, and vegetation.

#### Concern # 4 from the FHCO/HLA letter

***4) Show that an adequate number of needed housing units can be supported with the residential supply after the proposed change is enacted.***

**FINDING 4** – Planning staff find that the Site which is shown in Chapter 5 of the City's Comprehensive Plan as needing to be rezoned to residential zoning is proof that an adequate number of needed housing units can be supported with the residential supply after the proposed change is enacted. Staff further finds that the General Residential (R-2) zoning is appropriate based on housing policy in Chapter 7 which indicates it is the City's intention to zone sites in this area of the City in a manner that provides for a housing density transition from higher to lower density in the UGB.

**FINDING 5** – Planning staff agree that information about the required Goal 10 analysis was not clearly available. Planning staff find that the required Goal 10 analysis was done and was used to update Chapter 7 Housing of the City Comprehensive Plan. Staff finds further that this site was identified as a part of that Goal 10 analysis and was determined to be needed as residential land as shown in the staff report findings and as evidence in Chapter 5 Economy where it is not included in the Industrial Lands Inventory and where the City vision for the site is said to be residential land.

#### Concern # 5 from the FHCO/HLA letter

***5) Even when increasing the residential land supply, the City must undertake a full analysis to show that it is adding needed residential zones (e.g. multifamily vs. single-family).***

**FINDING 6** – Planning staff find that the required Goal 10 analysis was done and was used to update Chapter 7 Housing of the City Comprehensive Plan. Staff finds further that this site was identified as part of the Goal 10 analysis and was determined to be needed as residential land as shown in the staff report findings and as evidence in Chapter 5 Economy where it is not included in the Industrial Lands Inventory and where the City vision for the site is said to be residential land.

Concern # 6 from the FHCO/HLA letter

**6) It may be better planning for a different residential zoning designation to be applied to allow this property owner or a subsequent one to have more options for multi-family housing and increased density.**

**FINDING 7** – Planning staff find that the Goal 10 analysis was completed for updating Chapter 7 of the City's Comprehensive Plan. Chapter 7 further establishes policy on what residential zoning should be located where in the City. Staff finds that in this instance, the City's Comprehensive Plan dictates that the General Residential (R-2) zone is what is required by the Comprehensive Plan Policy found on page 126 of the City's Comprehensive Plan which states:

**Urban Interface Areas**

Citizens have expressed a need for a Comprehensive Plan Policy and associated implementation program that would help reduce the potential negative effects sometimes associated with urban levels of development abutting established lower density area uses inside the City limits and/or abutting the Urban Growth Boundary (UGB) and outside of the City limits. While it is recognized that rural lands in the UGB will likely redevelop and lower density areas will urbanize to their ultimate Plan designation, it is necessary to provide a policy that transitions growth in these areas.

The General Residential (R-2) zone is designed to accommodate the development policy shown above from page 126 in the City Comprehensive Plan. Additionally, Chapter 5 Economy of the City's Comprehensive plan was updated further embellishing the City position that this site is needed as residential land.

Concern # 7 from the FHCO/HLA letter

**7) The staff report does not address the potential impact of the proposal on the City's Goal 10 obligations.**

**FINDING 8** – Planning staff find that the Goal 10 analysis was completed for updating Chapter 7 of the City's Comprehensive Plan, as mentioned and found in Chapter 7, which staff finds addresses the potential impact of the proposal on the City's Goal 10 obligations. Further, the City's vision of the Site in Chapter 5 of the City's Comprehensive Plan is shown to be residential land.

Concern # 8 from the FHCO/HLA letter

**8) The City must demonstrate that its actions do not leave it with less than adequate residential land supplies in the types, locations, and affordability ranges affected.**

***Mulford v. Town of Lakeview, 36 Or LUBA 715, 731 (1999) (rezoning residential land for industrial uses); Gresham v. Fairview, 3 Or LUBA 219 (same); see also, Home Builders Assn. of Lane County v. City of Eugene, 41 Or LUBA 370, 422 (2002) (subjecting Goal 10 inventories to tree and waterway protection zones of indefinite quantities and locations).***

**FINDING 9** – Planning staff find that the Goal 10 analysis was completed for updating Chapter 7 of the City’s Comprehensive Plan. Chapter 7 further establishes policy on what residential zoning should be located where in the City. Staff finds that in this instance, the City’s Comprehensive Plan dictates that the General Residential (R-2) zone is what is required by the Comprehensive Plan Policy found on page 126 of the City’s Comprehensive Plan which states:

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The General Residential (R-2) zone is designed to accommodate the development policy shown above from page 126 in the City Comprehensive Plan. Additionally, Chapter 5 Economy of the City’s Comprehensive plan was updated further embellishing the City position that this site is needed as residential land.

Concern # 9 from the FHCO/HLA letter

***9) HLA and FHCO urge the Commission to defer adoption of the proposed amendment until its impact on the City’s Goal 10 obligations is fully and adequately analyzed and documented.***

**FINDING 10** – Planning staff find that the Goal 10 analysis was completed for updating Chapter 7 of the City’s Comprehensive Plan, as found in Exhibit F and mentioned in Chapter 7, which was further used to identify the Site in Chapter 5 of the City’s Comprehensive Plan as needing to be rezoned to residential. Staff finds that the information requested in the FHCO/HLA letter has been submitted per their request.

Respectfully submitted,



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Phil Stenbeck, CFM Planning Director

Exhibit A – Planning Commission Staff Report

Exhibit B – City of Prineville Buildable Land Analysis and Future Land Needs Analysis