



# PLANNING DEPARTMENT

P.O. Box 40 • Irrigon, Oregon 97844  
(541) 922-4624 or (541) 676-9061 x 5503  
FAX: (541) 922-3472

## AGENDA

**Morrow County Planning Commission**  
**Tuesday, December 6, 2022, 7:00 pm**  
**Morrow County Government Building**  
**Irrigon, OR**

**[For Electronic Participation See Meeting Information on Page 3](#)**

### Members of Commission

Jeff Wenzholz, Chair  
Stacie Ekstrom  
Mary Killion

Greg Sweek, Vice Chair  
Wayne Seitz  
Rod Taylor

Stanley Anderson  
Karl Smith  
Brian Thompson

### Members of Staff

Tamra Mabbott, Planning Director  
Stephen Wrecsics, GIS Planning Tech  
Katie Keely, Compliance Planner

Stephanie Case, Planner II  
Michaela Ramirez, Office Manager

1. **Call to Order**

2. **Roll Call**

Pledge of Allegiance: I pledge allegiance to the flag of the United States of America and to the republic for which it stands: one nation under God, indivisible with liberty and justice for all.

3. **Minutes:** September 27, 2022 [pages 4-6](#)

4. **PUBLIC HEARINGS** to begin at 7:00 pm (COMMISSION ACTION REQUIRED):

Hearing continued from September 27, 2022. Note: **This Applicant has requested to withdraw the permit 11/21/22.** Applicant has requested this hearing be continued to the December 6, 2022 meeting. Continued from September 27, 2022: **Conditional Use Permit CUP-N-355-22 and Comprehensive Plan Amendment AC-140-22: OneEnergy Development, LLC., applicant, and Madison Ranches Land 4, LLC., owner.** The properties are described as Tax Lots 1701, 1101, 1400, and 1401 of Assessor's Map 3N 27E. The properties are zoned EFU and located between the Boardman Bombing Range and Highway 207, approximately 6-miles southwest of the intersection of I-84 and I-82. Request is to allow the construction and operation of a 74-Megawatt Photovoltaic Solar Array with optional battery storage. Approval criteria for the Comprehensive Plan Amendment (AC-140-22) includes Morrow County Zoning Ordinance (MCZO) Article 8 Amendments, ORS 197.732 and OAR 660-033-0130(38) for the exception to Statewide Planning Goal 3 Agricultural Lands to allow a solar development on up to 600-acres in the EFU zone. Criteria for approval for the Conditional Use Permit (CUP-N-355-22) includes the MCZO Article 3 Section 3.010 EFU and Article 6 Conditional Uses. Presented By: Planning Director Mabbott [page 7](#)

**Property Line Adjustment by Replat R-N-079-22: Yvette and Claire Hanson, applicants and owners.** The properties are described as tax lots 1000, 1100, and 1200 of Assessor's Map 5N 26E 36BB. The properties are zoned Rural Residential at the north end of Wagon Wheel Loop, approximately 2-miles southwest of Irrigon. Request is to adjust property lines to the existing fences. Criteria for approval includes the Morrow County Subdivision Ordinance (MCSO) Article 5 Land Partitioning.

Presented By: Stephen Wrecsics, Planner [pages 8-12](#)

**Comprehensive Plan Amendment AC-141-22, Comprehensive Plan Map and Zoning Map Amendment AC(Z)-142-22 and Conditional Use Permit CUP-N-357-22. Morrow County Public Works, applicant, and JJMC, LLC., owner.** The property is described as Tax Lot 400 of Assessor's Map 1S 24. Property is zoned EFU and is located north and west of the City of Ione. Parcel is 4,916 acres (approx.); proposed quarry is 20 acres. Access to the quarry would be Ella Road. Request is to add the 20-acre quarry to the Comprehensive Plan Goal 5 inventory as a large significant site, apply the Aggregate Resources Overlay Zone to the 20-acre area and approve a Conditional Use Permit to allow mining, rock crushing, stockpiling and associated mining work. Approval criteria include MCZO Article 8 Amendments, MCZO 3.010 Exclusive Farm Use Zone, MCZO Article 3.200 Significant Resource Overlay Zone, ORS 215.298 Mining in EFU Zone, OAR 660-023-0180(3)(5)(7), OAR 660-023-040 and OAR 660-023-050 and MCZO Article 6 Conditional Uses. Presented By: Planning Director Mabbott [Pages 13-35](#)

5. **OTHER BUSINESS** -Trail Solar has withdrawn its CUP and Goal 3 application.

6. **Correspondence**

- Morrow County Board of Commissioners Monthly Planning Update [pages 36-39](#)
- Council approval of Final Order on Site Certificate for the Boardman to Hemingway [pages 40-42](#)
- Morrow County Goal 9 Work Plan & Inclusive Outreach Plan [pages 43-46](#)
- Willow Creek Valley Housing Implementation Strategy [pages 47-93](#)

7. **Public Comment**

8. **Adjourn**

**Next Meeting:** Tuesday, January 31<sup>st</sup>, 2023 at 7:00 p.m.  
Location: Bartholomew Building, Heppner, OR

### ELECTRONIC MEETING INFORMATION

Morrow County Planning is inviting you to a scheduled Zoom meeting. Topic: Planning Commission  
Time: August 30th, 2022 07:00 PM Pacific Time (US and Canada)

Join Zoom Meeting

<https://us06web.zoom.us/j/3696517452?pwd=dm9kTG1UbWM1OUpqRDdyVXA1TmU2dz09>

Meeting ID: 369 651 7452

Passcode: 335454

One tap mobile

+12532158782,,3696517452#,,,,\*335454# US (Tacoma)

+13462487799,,3696517452#,,,,\*335454# US (Houston)

Dial by your location

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 720 707 2699 US (Denver)

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)

+1 646 558 8656 US (New York)

Meeting ID: 369 651 7452

Passcode: 335454

Find your local number: <https://us06web.zoom.us/j/3696517452?pwd=dm9kTG1UbWM1OUpqRDdyVXA1TmU2dz09>

**Should you have any issues connecting to the Zoom meeting, please call 541-922-4624. Staff will be available at this number after hours to assist.**

*This is a public meeting of the Morrow County Planning Commission, and may be attended by a quorum of the Morrow County Board of Commissioners. Interested members of the public are invited to attend. The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired, or for other accommodations for persons with disabilities, should be made at least 48 hours before the meeting to Tamra Mabbott at (541) 922-4624, or by email at [tmabbott@co.morrow.or.us](mailto:tmabbott@co.morrow.or.us).*

**Minutes of the Public Meeting of the  
Morrow County Planning Commission  
Tuesday, August 30, 2022 7:00 p.m.  
Bartholomew Building, Heppner, Oregon  
(Meeting was held in person and through video conferenced via Zoom)**

**Morrow County Planning Commissioners Present:** Mary Killion, Karl Smith, Stanley Anderson

**Attendance via Zoom:** Vice Chair Greg Sweek, Wayne Seitz, Stacie Ekstrom,

**Excused Absent:** Chair Jeff Wenzholz,

**Morrow County Staff Present:** Tamra Mabbott, Planning Director, Stephanie Case, Planner II, Stephen Wrecsics, GIS Planning Technician, Michaela Ramirez, Office Manager

**Called to order:** Meeting was called to order by Vice Chair Sweek at 7:03 pm

The Pledge of Allegiance was recited.

**Approval of Minutes:** Vice Chair Sweek noted that the August 30, 2022 minutes were not ready and dispense to move on to possible changing of a meeting. Planning Director Mabbott announced that today was the application deadline and there were none submitted, only a partial application. Planning Director Mabbott asked Blake Bjornson if he was ok to continue his application hearing to the December 6 meeting and he agreed. Planning director Mabbott announced we may have more applications to announce. Called for vote, Stacie Ekstrom, Mary Killion, Karl Smith agreed to change meeting date on website to December 6. Planning director Mabbott suggested Chair Sweek cancel meetings for October and November, December 6 Commissioners would make more sense so Holidays are avoided for those 2 months and would be of help to our new counsel Dan. Mary Killion said she would not be able to attend the December 6 meeting. Others were asked and everyone was in agreement that is was ok. Four commissioners said they would attend. Planning Director Mabbott introduced the new Office Manager, Michaela Ramirez.

**Public Hearings:** Planning Commission Vice Chair Sweek read the Planning Commission statement and Hearing Procedures.

1. **PUBLIC HEARINGS** to begin at 7:00 pm (COMMISSION ACTION REQUIRED):

*Hearing continued from August 30, 2022. Note: Applicant has requested this hearing be continued to the December 6, 2022 meeting.*

**Conditional Use Permit CUP-N-355-22 and Comprehensive Plan Amendment AC-140-22: OneEnergy Development, LLC., applicant, and Madison Ranches Land 4, LLC., owner. The properties are described as Tax Lots 1701, 1101, 1400, and 1401 of Assessor's Map N 27E. The properties are zoned EFU and located between the Boardman Bombing Range and Highway 207, approximately 6-miles southwest of the intersection of I-84 and I-82. Request is to allow the construction and operation of a 74-Megawatt Photovoltaic Solar Array with optional battery storage. Approval criteria for the Comprehensive Plan Amendment (AC-140-22) includes Morrow County Zoning Ordinance (MCZO) Article 8 Amendments, ORS 197.732 and OAR 660-033-0130(38) for the exception to Statewide**

**Planning Goal 3 Agricultural Lands to allow a solar development on up to 600-acres in the EFU zone. Criteria for approval for the Conditional Use Permit (CUP-N-355-22) includes the MCZO Article 3 Section 3.010 EFU and Article 6 Conditional Uses.**

Vice Chair Sweek opened the public hearing. Director Mabbott explained that the applicant requested to continue the hearing to the next meeting and waived the 150 day requirement for the Conditional Use Permit application. Blake Bjornson confirmed the request for the continuation and waiver. The commission voted by consensus to continue the public hearing to December 6, 2022 at 7 pm at the Morrow County Government Center in Irrigon, Or Vice Chair Sweek closed the hearing.

**Land Partition LP-N-513-22: Noe Lombera, Applicant and Owner. Presented By Stephen Wrescics, GIS Planning Tech**

**The property is described as tax lot 104 of Assessor's Map 4N 24E 13. The property is zoned Farm Residential (FR) and located on Peters Road, north of the Wilson Lane and Peters Road intersection. The request is to partition an approximately 7.91-acre parcel into three parcels. Criteria for approval includes Morrow County Zoning Ordinance (MCZO) Section 3.041 Farm Residential Zone and Morrow County Subdivision Ordinance (MCSO) Article 5 Land Partitioning.**

Vice Chair Sweek opened the hearing, GIS Planning Technician Stephen Wrescics presented the staff report. Vice Chair Sweek opened the public testimony.

There were none in favor, neutral or opposition.

Closed the public testimony portion of the hearing.

Commissioner Smith moved for approval of Land Partition LP-N-513-22 and to accept findings as presented.

Commissioner Killion seconded the motion.

Vice Chair Sweek called for questions from Commissioner for Staff, there were none. It was a unanimous vote to approve. Motion carried.

**Replat R-S-079-22: Carol J. Ottmar and McElligott, LLC, Applicants and Owners. Presented By: Stephanie Case, Planner II**

**The properties are described as tax lot 3402, 3406, 3401, and 300 of Assessor's Map 5S 26E. The property is zoned Exclusive Farm Use (EFU) and located north of Sunflower Flat Road in the Parkers Mill area. The request is to adjust several property lines via Replat. Criteria for approval includes MCSO Article 5, Section 5.075 Replatting.**

Planner Stephanie Case handed out Amended Preliminary Findings. The changes were due to the properties being affected by a covenant not to sell separately which is now identified in the Findings. This action does not violate the existing covenant. Planner Case presented the staff report.

Vice Chair Sweek Called for questions from Commissioners: Commissioner Killion asked why the applicant was doing this? Planner Case stated that the proposed property lines would follow existing roads and fence lines. Bill Wells representing the applicant stated that both parties agreed to having the fence be the property line requiring a property line adjustment. Vice Chair Sweek considered Mr. Wells comments as neutral testimony.

Vice Chair Sweek closed the testimony, there were no others who spoke in neutral. None were in favor or opposed. Commissioner Anderson moved to approve the replat and Commissioner Ekstrom seconded the motion.

Vice Chair Sweek called for questions from Commissioner for Staff, there were none. It was a unanimous vote to approve **Replat R-S-079-22** . Motion carried.

## **OTHER BUSINESS**

**Planning Director Mabbott noted that a new project, Echo Solar, has been submitted to the state. County has no jurisdiction but has an opportunity to have a say in it. The first formal step for county is to provide local applicable area.**

**Included in the packet also is an email Hillary Foote from DLCD which show 21,000 acres of farmland in Morrow County dedicated to Solar.**

### **Correspondence**

- Planning Department Monthly report to BOC, September 2022
- **Energy Projects**
- **Morrow county Heritage Trail**
- **Willow Creek Valley**
- **Wildfire Mapping and SB 732 update**
- **Tower Road Information Meeting**
- **Access to Transportaion Coordinated Transportation Plan**
- **Data Dashboard**
- **Drone Update**

1. **Public Comment**
2. **Adjournment:** Meeting was adjourned at 7:31pm

**Next Meeting:** Tuesday December 6, 2022 at 7:00 p.m.  
Location: North Morrow Annex Building, Irrigon, OR

## Michaela Ramirez

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**From:** Tamra Mabbott  
**Sent:** Monday, November 21, 2022 3:52 PM  
**To:** Michaela Ramirez  
**Subject:** FW: Trail Solar Application

You can note on the Agenda for PC that Trail Solar is "Withdrawn"  
 Lets discuss the refund during staff meeting tomorrow.

**From:** Blake Bjornson <Blake@oneenergyrenewables.com>  
**Sent:** Monday, November 21, 2022 1:38 PM  
**To:** Tamra Mabbott <tmabbott@co.morrow.or.us>  
**Cc:** Michaela Ramirez <mramirez@co.morrow.or.us>; Tanner Gillespie <tanner@oneenergyrenewables.com>; Albrich, Elaine <ElaineAlbrich@dwt.com>  
**Subject:** Trail Solar Application

***STOP and VERIFY This message came from outside of Morrow County Gov***

Tamra,

This email confirms that we would like to withdraw our CUP and Goal 3 applications for the Trail Solar project. Thank you for working with us on the application, and we look forward to keeping you and the county updated on the project.

Because we are not moving forward, are a portion of the application fees refundable? The total amount we submitted was \$42,000, which includes \$2,500 for the base CUP fee, \$37,000 for the additional \$500/MW cost for projects over 10MW and \$2,500 for the Land Use Decision. I understand that Morrow County does not bill by "time and materials," but do you have a sense for the costs incurred by the County to process our application?

Thank you,  
 Blake

**Blake Bjornson**  
 Associate Director, Project Development

[Blake@OneEnergyRenewables.com](mailto:Blake@OneEnergyRenewables.com)  
 206.900.9931 | [Direct](#)  
 Check out our website at [www.OneEnergyRenewables.com](http://www.OneEnergyRenewables.com)



**PRELIMINARY FINDINGS OF FACT  
REPLAT REQUEST  
R-N-079-22**

**REQUEST:** Reconfigure by Replat Parcel 1 of Partition Plat 2019-16 and Parcel 1 of 2021-11 into one parcel.

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**APPLICANTS/OWNERS:** Yvette C. Hanson  
P.O. Box 543  
Irrigon, Oregon 97844

Vera J. Brooks  
80847 Wagon Wheel Loop  
Irrigon, Oregon 97844

James M. Miller  
650 Banover Street  
Eugene, Oregon 97404

**PROPERTY DESCRIPTION:** Tax Lots 1000, 1100, and 1200 of Assessor's Map 5N 26E 36BB.

**PROPERTY LOCATION:** North end of Wagon Wheel Loop, approximately 2-miles southwest of Irrigon.

**I. GENERAL INFORMATION:**

The subject parcels are zoned Rural Residential (RR) and is outside the Irrigon Urban Growth Boundary. This proposed replat will reconfigure recorded lot lines in the Wagon Wheel Addition to match the existing fence lines.

- II. APPROVAL CRITERIA:** The applicant has filed under the Morrow County Subdivision Ordinance, Section 5.075 REPLATTING both apply. The criteria are listed below in **bold type**, followed by a response in standard type under the "**Finding**" title:

**SECTION 5.075. REPLATTING. A reconfiguration of a recorded subdivision or partition plat or a change in the number of lots in the subdivision or partition may be approved by the Planning Commission or as defined in ORS 92.180. Replats will act to vacate the platted lots or parcels and easements within the replat area with the following conditions:**

- 1. A replat will apply only to a recorded plat.**

**Finding:** A replat is required as the applicant is proposing to reconfigure recorded lot lines in the Wagon Wheel Addition, a previously platted subdivision.



- 2. Notice shall be provided when the replat is replatting all of an undeveloped subdivision as defined in ORS 92.225.**

**Finding:** This provision does not apply as this is not a replat of an undeveloped subdivision. Notice was provided to adjoining landowners and affected agencies as required under the Morrow County Zoning Ordinance.

- 3. Notice shall be provided to the owners of property adjacent to the exterior boundaries of the tentative subdivision replat.**

**Finding:** Adjoining property owner notice was provided on November 16, 2022.

- 4. When a utility easement is proposed to be realigned, reduced in width or omitted by a replat, all affected utility companies or public agencies shall be notified, consistent with a governing body's notice to owners of property contiguous to the proposed plat. Any utility company that desires to maintain an easement subject to vacation under this section must notify the Planning Department in writing within 14 days of the mailing or other service of the notice.**

**Finding:** No changes to utility easements are proposed. This replat is at the request of the applicant.

- 5. A replat will not serve to vacate any public street or road.**

**Finding:** No streets or roads are proposed to be vacated.

- 6. A replat will comply with all subdivision provisions of this Article and all applicable Ordinances.**

**Finding:** See Replat requirements above. Submit both a preliminary and final Plat in conformance with Oregon Revised Statute Chapter 92 and the Morrow County Subdivision Ordinance.

- III. LEGAL NOTICE PUBLISHED:** November 15, 2022  
East-Oregonian

November 16, 2022  
Heppner Gazette-Times

- IV. AGENCIES NOTIFIED:** Morrow County Assessor; Matt Kenny, Morrow County Surveyor; Justin Nelson, County Counsel; Greg Silbernagle, Watermaster; Larry Burns, Irrigon Rural Fire Protection District; Beverly Bridgewater, West Extension Irrigation District; Todd Catterson, Gilliam County Surveyor (for review); Matt Kenny, Surveyor of Record.

V. **PROPERTY OWNERS NOTIFIED:** November 16, 2022

VI. **HEARING DATE:** December 06, 2022  
Morrow County Government Center  
Irrigon, Oregon

VII. **ACTION OF THE PLANNING COMMISSION:** Planning Department staff recommend approval of the land partition subject to the following Condition of Approval. This precedent condition must be met before the Planning Director may sign the final Partition Plat.

1. Submit both a **preliminary** and final Partition Plat in conformance with Oregon Revised Statute Chapter 92 and the Morrow County Subdivision Ordinance.

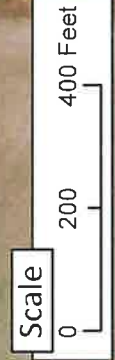
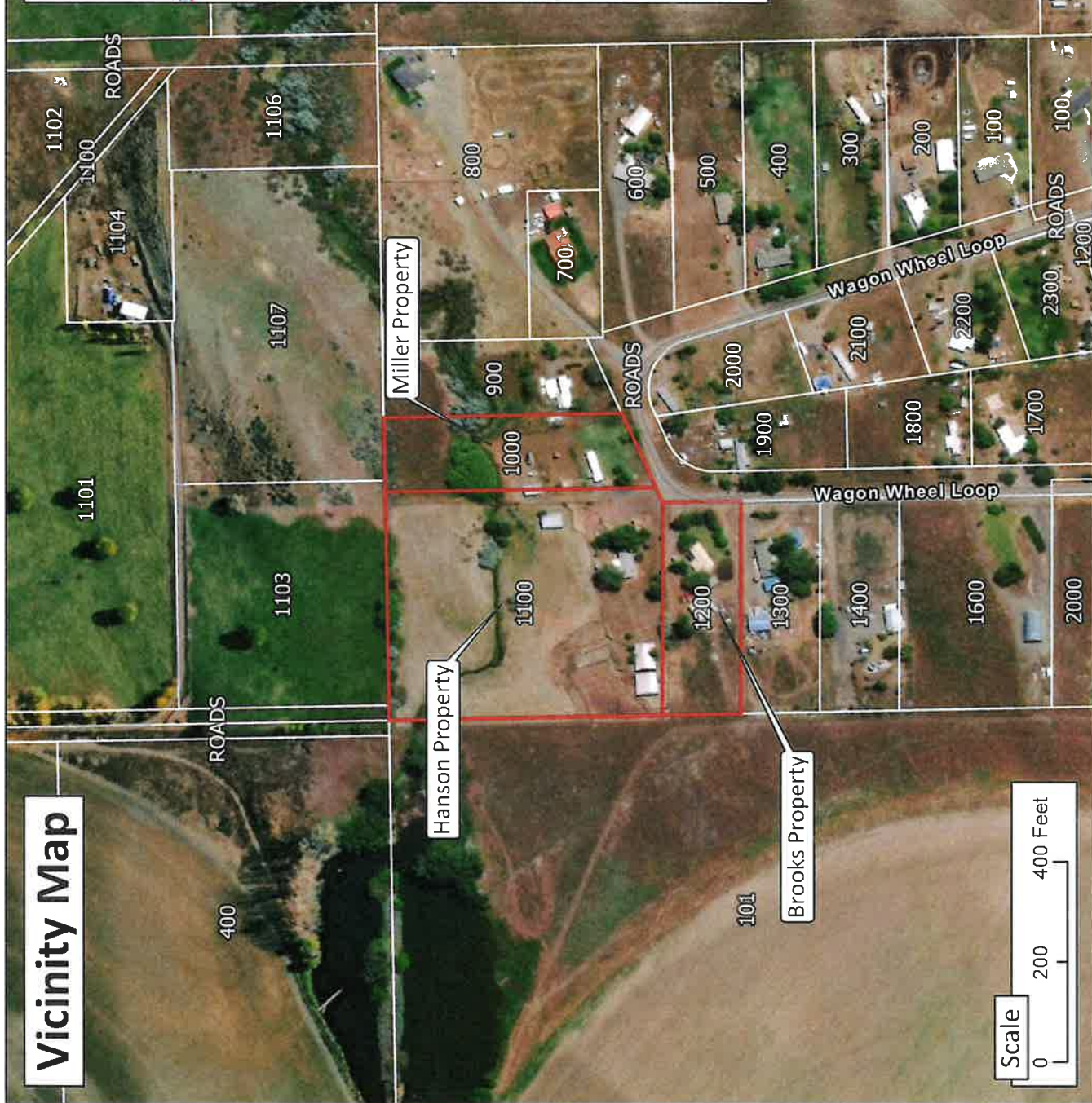
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Jeff Wenholz, Chair

Date

Attachments:  
Vicinity Map  
Tentative Plan

# Vicinity Map



**R-N-079-22**  
 Yvette Hanson  
 5N26E36BB  
 TL 1000, 1100, 1200

### Legend

Subject Properties

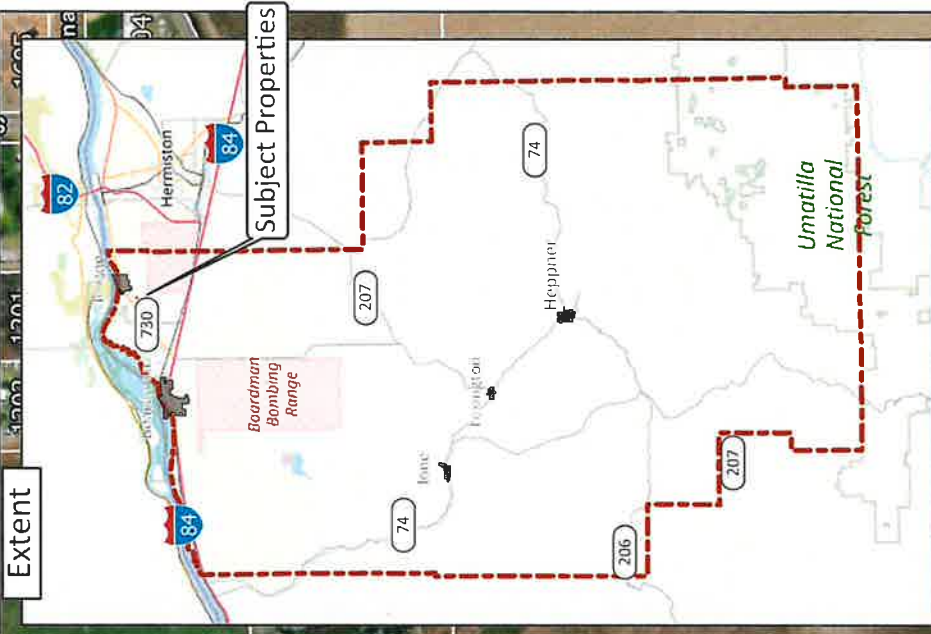
Taxlot



Date Saved: 11/16/2022 11:25

Cartography By: Stephen Wreccics  
 Morrow County Planning Department  
 Coordinate System: NAD83 Oregon GIC Lambert ft  
 Datum: North American 1983  
 Projection: Lambert Conformal Conic

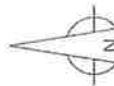
### Extent



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# SITE PLAN

PARTITION REPEAT APPLICATION  
 LOCATED IN THE NW 1/4 SECTION 36,  
 TOWNSHIP 5 NORTH, RANGE 28 EAST, W.M.,  
 WABORROW COUNTY, OREGON.



**SURVEY NARRATIVE**

THIS SITE PLAN HAS BEEN PREPARED AT THE REQUEST OF YVETTE HANSON TO REPEAT THE LOTS UNITS COMMON TO LOTS 2 & 3 AND LOTS 2 & 4 OF BLOCK ONE, WAGON WHEEL ADDITION TO CONFORM TO EXISTING FENCE LINE LOCATIONS. THIS REPEAT IS BEING PROPOSED IN ACCORDANCE WITH THE WABORROW COUNTY SUBDIVISION EXHIBITORS' CONFORMANCE DOCUMENTS WILL BE PREPARED AND FILED IN CONJUNCTION WITH RECORDING OF A FINAL PLAN.

ALL RECORD LOT CORNERS PER THE PLAT OF WAGON WHEEL ADDITION AND SURVEY TOWER NO. 1441 FOUND IN THIS SURVEY HAVE BEEN HELD. PLAT GEOMETRY WAS HELD TOGETHER WITH EXISTING FENCE LINE LOCATIONS. THE EXISTING FENCE LINE LOCATIONS IN THIS REPEAT, THE EXISTING FENCE LINE LOCATIONS CONTROL THE LOCATION OF THE NEW PARCEL BOUNDARY LINES. FENCES WERE MEASURED ON APRIL 22, 2022.

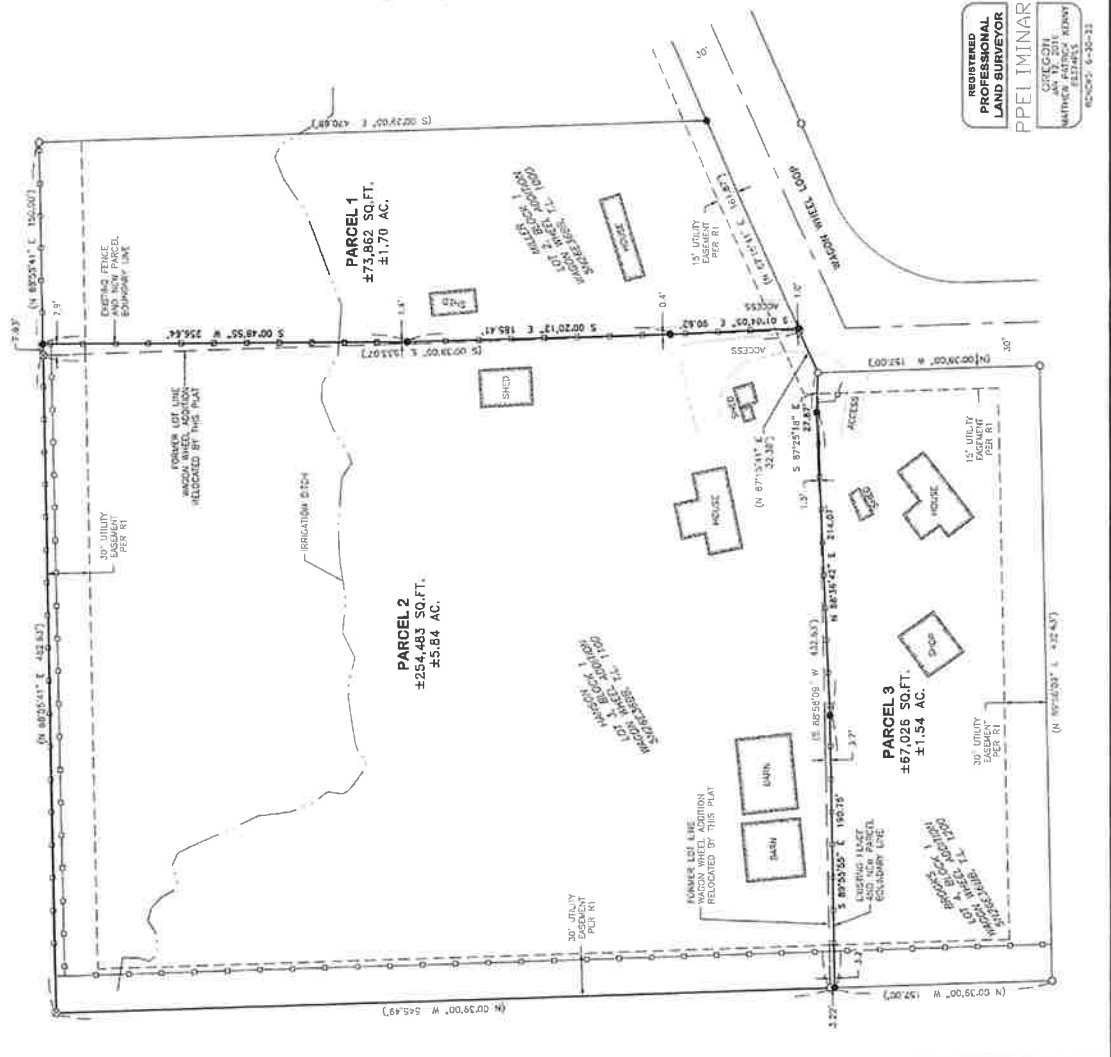
THIS SURVEY WAS PERFORMED USING TWO TOPCON HIFER LITE+ GNSS UNITS OPERATED USING PRK METHODS THE BASIS OF BEARING IS THE PLAT OF WAGON WHEEL ADDITION. DISTANCES ARE GROUND, INTERINDIVIDUAL FEEL.

**RECORDS OF REFERENCE**

- R1. WAGON WHEEL ADDITION, RECORDED 4-5-1975, WABORROW COUNTY CLERK RECORDS.
- R2. SURVEY TOWER NO. 1441 (1441C), DATED 5-24-2025

**LEGEND**

- 3/4" x 3/8" x 24" STEEL BEAR WITH 1.5" x 1.5" x 1/4" PPK PLASTIC CAP, MARKED PERMANENTLY.
- IRON NAIL MOUNTMENT OF IRON
- ⊗ COMPUTED POSITION NOTHING FOUND OR SET, UNLESS NOTED OTHERWISE.
- ( ) EXISTING FENCE LINE LOCATIONS PER THE PLAT OF WAGON WHEEL ADDITION (R1)



**REGISTERED PROFESSIONAL LAND SURVEYOR**  
**PRELIMINARY**

CONVEYANCE  
 JAN 17, 2011  
 MATTHEW PATRICK KENNY  
 RECORDS: 4-20-22

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**KENNY LAND SURVEYING**  
 P.O. BOX 417, HEPPNER, OR 97838  
 541-376-2242  
 www.kennylandsurveying.com

PROPOSED REPEAT OF LOTS 2 & 3, BLOCK 1 OF WAGON WHEEL ADDITION  
 LOCATED IN THE NW 1/4 OF SECTION 36, T5N, R28E, W1E,  
 WABORROW COUNTY, OREGON.

CLIENT:  
**YVETTE HANSON**

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PROJECT: 24-22    DL: MRY    CN: UPR    DATE: AUGUST 31, 2022    SHEET 1 OF 1

**Morrow County Board of Commissioners  
Preliminary Findings of Fact  
AC(M)-141-22, AC(Z)-142-22, CUP-N-357-22  
Goal 5 Aggregate Site**

**REQUEST:** to amend the Comprehensive Plan to add a 20-acre aggregate resource to the county Goal 5 significant aggregate resource inventory, amend the Comprehensive Plan and Zoning Ordinance Maps to include the site within the Significant Resource Overlay Zone and approve mining activity.

**APPLICANT:** Morrow County Public Works Department  
365 West Highway 74, PO Box 428  
Lexington, OR 97839

**OWNER:** JJMC, LLC  
PO Box 4  
lone, OR 97843

**PROPERTY DESCRIPTION:** Tax Lot 400 of Assessor's Map 1S 24

**PROPERTY LOCATION:** Proposed quarry is part of a large parcel (approximately 4,916 acres). Quarry site is located north and east of the city of lone off Ella Road.

**FINDINGS OF FACT:**

**I BACKGROUND INFORMATION:**

Morrow County Public Works seeks to establish a new aggregate site to provide resource for rock crushing for material for county roads.

The quarry site is large enough to provide more than 500,000 tons of aggregate material and the applicant has applied for protection as a site that will produce more than 500,000 tons. The applicant has not yet submitted test results from a lab however, according to Public Works Director and staff the quarry will provide high quality material that will meet ODOT standards for abrasion, degradation and soundness. Public Works has arranged to have samples and will submit the results. The rock will be used by Morrow County Public Works Department for road maintenance and construction. County may choose to use the material for other needs in the future. The proposed location of the quarry is important in order to minimize hauling costs from outside the lone area.

**Surrounding Land Uses.** The surrounding land uses is primarily agriculture although the city boundary abuts a portion of the subject parcel. The city limits are outside of the 1,500-foot impact area. City of lone is just south and west of the proposed quarry site.

**Quarry Site Operation and Reclamation.** The applicant has provided information that indicates the area of extraction is approximately 20 acres in size and will be mined in phases as the aggregate is needed. Waste rock or overburden will be used for building

and leveling the area for the processing site. Where the applicant is Morrow County an operating permit from DOGAMI is not required as county adopted Ordinance MC-C-3-98 which exempts Morrow County from Oregon mining permit requirements of ORS 517.702 to 517.987. County and contractors are otherwise required to comply with surface mining safety and reclamation.

**II SUMMARY OF APPLICABLE CRITERIA** To approve the request the Board of Commissioners will be required to adopt findings to show that the request meets the necessary criteria. Those criteria are presented below in **bold** print with responses in regular print.

**Morrow County Zoning Ordinance Section 3.010 Exclusive Farm Use Zone CONDITIONAL USES PERMITTED.** In an EFU Zone, the following uses and their accessory uses are permitted subject to demonstration of compliance with the requirements of Article 6 of this Ordinance and Section (G) below:

**11. Operations conducted for the mining, crushing or stockpiling of mineral, aggregate and other mineral resources or other subsurface resources subject to ORS 215.298 and Article 6 of this Ordinance.**

**Morrow County Zoning Ordinance Section 3.200 Significant Resource Overlay Zone.** The purpose of the Significant Resource Overlay Zone is to protect significant mineral resources, scenic areas, natural areas, and fish and wildlife habitat in Morrow County, and to permit development which is compatible with such protection.

**A. Application.** The Significant Resource Overlay Zone shall be applied to those sites designated as a Significant Resource Site on the Morrow County Comprehensive Plan Goal 5 Resource Map, and determined to be worthy of full protection or limited protection against conflicting uses.

If approved the proposed site would be identified as "significant" under Goal 5 and the Significant Resource Overlay Zone would be applied. Section 3.200 is attached.

**B. Permissible Uses.** If a use or activity permitted outright in the underlying zone, or a use or activity requiring a zoning permit in the underlying zone is listed in Section 3.200 E as a conflicting use or activity, it shall become a conditional use subject to the provisions of Article 6 and the provisions of this ordinance.

#### C. CATEGORIES.

1. **Aggregate and Mineral Sites.** The Zoning Map will be amended to apply the Overlay Zone to an approved mining site including an impact area. Mineral and aggregate sites approved in Morrow County may have an impact area of up to 1500 feet when permitted under certain Comprehensive Plan approval processes. Based on the Comprehensive Plan analysis development in an Overlay Zone impact area is subject to the following standards:

- a. **Uses permitted Outright.** Uses permitted outright in the underlying zone, except conflicting uses described in the Comprehensive Plan Analysis may be permitted subject to the standards and criteria of the underlying zone.
- b. **Uses Allowed Conditionally.** Uses permitted conditionally in the underlying zone and conflicting uses shall be reviewed as conditional uses subject to the

- standards and criteria of the underlying zone and the criteria listed in paragraph 4 below.
- c. Prohibited Uses. Uses identified through the Comprehensive Plan analysis as incompatible with mining in all instances shall not be permitted within the impact area.
  - d. **Approval Criteria for proposed uses allowed conditionally in the impact area. The applicant must demonstrate compliance with the following criteria:**
    - i. **The proposed use will not interfere with or cause an adverse impact on lawfully established and lawfully operating mining operations;**
    - ii. **The proposed use will not cause or threaten to cause the mining operation to violate any applicable standards of this Section or County approval in the Comprehensive Plan;**
    - iii. **An application for a new noise or dust sensitive use shall demonstrate that the mining operation in the adjacent extraction area will maintain compliance with DEQ noise control standards and ambient air quality and emission standards as measured at the new noise or dust sensitive use. If deemed necessary by the Planning Director, the applicant for a new noise sensitive use shall submit an analysis prepared by an acoustical engineer, demonstrating that the applicable DEQ noise control standards are met or can be met by a specified date. If noise mitigation measures are necessary to ensure continued compliance on the part of the mining operation such measures shall be a condition of approval. If noise mitigation measures are inadequate to ensure compliance with DEQ noise control standards, the noise sensitive use shall not be approved within the impact area. (MC OR-1-2013)**

The above criteria would apply to future conditional uses located within the impact area. Given most of the land in the impact area is zoned Exclusive Farm Use there is a limited number of circumstances that may be restricted. The same is true for the very small area of residential zoned lands in the impact area.

**4. Mineral Resource Sites. Lots or parcels which abut a significant mineral resource site (active or potential) may be required to establish dwelling setbacks in excess of those required in the underlying zone. The required setback shall be determined by the Planning Director after meeting with the applicant and the owner of the mineral resource land to ensure visual and sound screening between present and future uses on the properties. Such setback shall be no less than 100 feet and no greater than 600 feet.**

Parcels abutting the proposed site primarily include lands zoned EFU, however, city limits abut a portion of the tax lot. See attached map. The quarry location is on a bluff above city limits which should provide visual and sound screening. Future allowed uses expected to be in conflict with the quarry are analyzed in the Oregon Statewide Planning Goals; Oregon Revised Statutes Division 23, Procedures and Requirements for Complying with Goal 5 660-023-0180(5) Section, below. For future dwellings that may be permitted on parcels located inside the impact area the property line setback will be 100 feet.

**Morrow County Zoning Ordinance Article 8 Amendments Section 8.050 Burden**

**and Criteria:** The proponent of the application or permit has the burden of proving **Justification** for its approval. The more drastic the request or the greater the impact of the application or permit on the neighborhood, area, or county, the greater is the burden on the applicant. The following criteria shall be considered by the Planning Commission in preparing a recommendation and by the County Court in reaching their decision.

**A. That conditions have changed since the adoption of the Comprehensive Plan and zoning map that warrant an amendment, or that there was a mistake in the original designation.**

This amendment is required by the Oregon Revised Statutes and Oregon Administrative Rules. No conditions have changed or mistake was made in the original designation of the Comprehensive Plan.

**B. That public services and facilities are sufficient to support a change in designation, including but not limited to, streets and roads (refer to the Transportation System Plan and Transportation Planning Rule).**

The proposed Plan amendment to add a new aggregate site will not require changes to existing roadways. The mining activity and use is in compliance with the county TSP.

**1. Amendments to the zoning ordinance or zone changes which significantly affect a transportation facility shall assure that land uses are consistent with the function, capacity, and level of service of the facility identified in the Transportation System Plan. This shall be accomplished by one of the following:**

- a. Limiting allowed land uses to be consistent with the planned function of the transportation facility or roadway;
- b. Amending the Transportation System Plan to ensure that existing, improved, or new transportation facilities are adequate to support the proposed land uses consistent with the requirement of the Transportation Planning Rule; or,
- c. Altering land use designations, densities, or design requirements to reduce demand for automobile travel to meet needs through other modes.

**2. A plan or land use regulation amendment significantly affects a transportation facility if it:**

- a. Changes the functional classification of an existing or planned transportation facility;
- b. Changes standards implementing a functional classification;
- c. Allows types or levels of land use that would result in levels of travel or access that are inconsistent with the functional classification of a transportation facility; or
- d. Would reduce the level of service of the facility below the minimal acceptable level identified in the Transportation System Plan. (MC-C-8-98)

The proposed quarry will generate a modest volume of traffic only seasonally and will not cause change the functional classification of the primary and secondary access roads.



**C. That the proposed amendment is consistent with unamended portions of the Comprehensive Plan and supports goals and policies of the Comprehensive Plan, that there is a public need for the proposal, and that the need will be best served by allowing the request. If other areas in the county are designated for a use as requested in the application, then a showing of the necessity for introducing that use into an area not now so zoned and why the owners there should bear the burden, if any, of introducing that zone into their area.** The proposed amendment is consistent with unamended portions of the Comprehensive Plan and otherwise supports adopted goals and policies. Morrow County Public Works has identified a need for aggregate material in the vicinity of Lone. The proposed quarry contains appropriate quality material for the long-term supply needs of the Public Works Department. Listing the site in the Comprehensive Plan's list of significant Goal 5 protected resources is appropriate to preserve the long-term use of this resource.

**D. The factors listed in ORS 215.055 or others which relate to the public need for healthful, safe and aesthetic surroundings and conditions.** ORS 215.055 was repealed in 1977. This approval includes a condition to implement dust abatement measures.

**1. The Oregon Revised Statutes;**

**215.298 Mining in exclusive farm use zone; land use permit. (1) For purposes of ORS 215.213 (2) and 215.283 (2), a land use permit is required for mining more than 1,000 cubic yards of material or excavation preparatory to mining of a surface area of more than one acre. A county may set standards for a lower volume or smaller surface area than that set forth in this subsection.**

**(2) A permit for mining of aggregate shall be issued only for a site included on an inventory in an acknowledged comprehensive plan.**

This application will require a determination of Goal 5 significance by the Board of Commissioners in order for mining to be permitted. If approved the site will be included on Morrow County's inventory of significant aggregate sites in the Comprehensive Plan. This application includes approval of a Conditional Use Permit.

**2. Oregon Case Law;** Oregon Case Law LUBA Beaver State Sand and Gravel v. Douglas County, 43 or LUBA 140 (2002). The ORS 215.298 provision allows a mining operation on EFU-zoned lands if the site is on an "inventory" in a comprehensive plan. Because under the 1982 Goal 5 rule the term "inventory" referred to an inventory of significant mineral sites, ORS 215.209 allows mining in an EFU zone only if the site is on a comprehensive plan inventory of significant mineral sites, not if the site is on a separate list of non-significant sites. This action takes into account the LUBA Case described above. The aggregate mine will be placed on the Comprehensive Plan list of significant mineral sites.

**3. STANDARDS OF THE OREGON ADMINISTRATIVE RULES, DIVISION 23 FOR GOAL 5 LARGE SIGNIFICANT SITES, OAR 660-023-0180(3)(5), (7), OAR**

660-023-040 and OAR 660-023-050.

**OAR 660-023-0180 Mineral and Aggregate**

This application can be found to comply with Statewide Planning Goal 5 where it complies with OAR 660-023-0180(3) for Mineral and Aggregate Resources.

**OAR 660-023-0180 Mineral and Aggregate Resources**

**(3) [Large Significant Sites] An aggregate resource site shall be considered significant if adequate information regarding the quantity, quality, and location of the resource demonstrates that the site meets any one of the criteria in subsections (a) through (c) of this section, except as provided in subsection (d) of this section:**

**(a) A representative set of samples of aggregate material in the deposit on the site meets applicable Oregon Department of Transportation (ODOT) specification for base rock for air degradation, abrasion, and soundness, and the estimated amount of material is more than 2,000,000 on the Willamette Valley, or more than 500,000 tons outside the Willamette Valley;**

**(b) The material meets local government standards establishing a lower threshold for significance than subsection (a) of this section; or**

**(c) The aggregate site was on an inventory of significant aggregate sites in an acknowledged plan on September 1, 1996.**

**(d) Notwithstanding subsections (a) and (b) of this section, except for an expansion area of an existing site if the operator of the existing site on March 1, 1006, had unenforceable property interest in the expansion area on that date, an aggregate site is not significant if the criteria in either paragraphs (A) or (B) of this subsection apply:**

**(A) More than 35 percent of the proposed mining area consists of soil classified as Class I on Natural Resource and Conservation Service (NRCS) maps on June 11, 2004; or**

**(B) More than 35 percent of the proposed mining area consists of soil classified as Class II, or of a combination of Class II and Class I or Unique soil, on NRCS maps available on June 11, 2004, unless the average thickness of the aggregate layer within the mining area exceeds: (i) 60 feet in Washington, Multnomah, Marion, Columbia, and Lane counties; (ii) 25 feet in Polk, Yamhill, and Clackamas counties; or (iii) 17 feet in Linn and Benton counties.**

Adequate information has been provided to the Planning Department regarding the quality, quantity and location of the aggregate and it does meet (a) above. The test results are attached. Based on the test results, the site can be deemed a significant resource. The quarry area is comprised of predominantly Gravel very gravelly loam, a class VII soil (USDA Soil Survey of Morrow County Area, 1983).

**660-023-0180(5) [Large Significant Sites] For significant mineral and aggregate sites, local governments shall decide whether mining is permitted. For a PAPA application involving an aggregate site determined to be significant under section (3) of this rule, the process for this decision is set out in subsections (a) through (g) of this section. A local government must complete the process within 180 days after receipt of a complete**

application that is consistent with section (8) of this rule, or by the earliest date after 180 days allowed by local charter.

**(a) The local government shall determine an impact area for the purpose of identifying conflicts with proposed mining and processing activities. The impact area shall be large enough to include uses listed in subsection (b) of this section and shall be limited to 1,500 feet from the boundaries of the mining area, except where factual information indicates significant potential conflicts beyond this distance. For a proposed expansion of an existing aggregate site, the impact area shall be measured from the perimeter of the proposed expansion area rather than the boundaries of the existing aggregate site and shall not include the existing aggregate site. An impact area map is attached to these findings. The existing uses within the impact area are agriculture, mainly grazing and dryland wheat farming as well as uses in the city of Lone.**

**(b) The local government shall determine existing or approved land uses within the impact area that will be adversely affected by proposed mining operations and shall specify the predicted conflicts. For purposes of this section, "approved land uses" are dwellings allowed by a residential zone on existing platted lots and other uses for which conditional or final approvals have been granted by the local government. For determination of conflicts from proposed mining of a significant aggregate site, the local government shall limit its consideration to the following:**

**(A) Conflicts due to noise, dust, or other discharges with regard to those existing and approved uses and associated activities (e.g., houses and schools) that are sensitive to such discharges;**

The quarry site is located on a tall bluff north east of city of Lone. The 1500-foot buffer area applies to the subject parcel (tax lot 400) and other farm ground. The subject parcel is very large and abuts a residential subdivision known as the Emert Addition. However, the 1500-foot impact area is a significant distance from the Emert Addition and other residences. There are two farm buildings within the 1500-foot impact area but no dwellings. The quarry activities do not appear to create noise, dust or other discharges that would impact those structures or farm use in the impact area or outside of the parcel boundaries.

**(B) Potential conflicts to local roads used for access and egress to the mining site within one mile of the entrance to the mining site unless a greater distance is necessary in order to include the intersection with the nearest arterial identified in the local transportation plan. Conflicts shall be determined based on clear and objective standards regarding sight distances, road capacity, cross section elements, horizontal and vertical alignment, and similar items in the transportation plan and implementing ordinances. Such standards for trucks associated with the mining operation shall be equivalent to standards for other trucks of equivalent size, weight, and capacity that haul other materials;**

Access will be Ella Road to State Highway 74. Traffic will include mining and rock crushing equipment seasonally. Haul truck volumes will be very low except during peak season for road paving and applying gravel. Even then, truck traffic will average 10-12 truck trips per day, with a maximum of 25 truck trips at peak. There are no proposed mitigating measures. Also, see the discussion in Article 8 Amendments on page 5.

**(C) Safety conflicts with existing public airports due to bird attractants, i.e., open water impoundments as specified under OAR chapter 660, division 013;**

There is no airport within the impact area, or anywhere nearby. The closes airport identified by the Comprehensive Plan is located at Lexington. There are no proposed mitigating measures.

**(D) Conflicts with other Goal 5 resource sites within the impact area that are shown on an acknowledged list of significant resources and for which the requirements of Goal 5 have been completed at the time the PAPA is initiated;**

No significant resources have been identified on the site, or within the impact area. There are no proposed mitigating measures.

**(E) Conflicts with agricultural practices; and**

Agricultural use within 1,500 feet is primarily grazing. The property owner does not anticipate that mining activities will interfere with current farming practices.

**(F) Other conflicts for which consideration is necessary in order to carry out ordinances that supersede Oregon Department of Geology and Mineral Industries (DOGAMI) regulations pursuant to ORS 517.780; None identified.**

**(c) [If conflicts exist, measures to minimize] The local government shall determine reasonable and practicable measures that would minimize the conflicts identified under subsection (b) of this section. To determine whether proposed measures would minimize conflicts to agricultural practices, the requirements of ORS 215.296 shall be followed rather than the requirements of this section. If reasonable and practicable measures are identified to minimize all identified conflicts, mining shall be allowed at the site and subsection (d) of this section is not applicable. If identified conflicts cannot be minimized, subsection (d) of this section applies.**

For this application, the only conflict mentioned is the possibility of fugitive dust, which can be easily mitigated with a gravel surface on the haul roads. Reasonable and practicable measures are identified that will minimize the identified conflict and mining should be allowed at the site.

**(d) [If conflicts cannot be minimized then conduct an Economic, Social, Environmental and Energy (ESEE) analysis.] The local government shall determine any significant conflicts identified under the requirements of subsection (c) of this section that cannot be minimized. Based on these conflicts only, local government shall determine the ESEE consequences of either allowing, limiting, or not allowing mining at the site. Local governments shall reach this decision by weighing these ESEE**

consequences, with consideration of the following:

- (A) The degree of adverse effect on existing land uses within the impact area;
- (B) Reasonable and practicable measures that could be taken to reduce the identified adverse effects; and
- (C) The probable duration of the mining operation and the proposed post-mining use of the site.

Mitigations can be added here in the future if conflicts are identified. Conflicting uses have not been identified. Insert table of conflicting uses if applicable.

**(e) Where mining is allowed, the plan and implementing ordinances shall be amended to allow such mining. Any required measures to minimize conflicts, including special conditions and procedures regulating mining, shall be clear and objective. Additional land use review (e.g., site plan review), if required by the local government, shall not exceed the minimum review necessary to assure compliance with these requirements and shall not provide opportunities to deny mining for reasons unrelated to these requirements, or to attach additional approval requirements, except with regard to mining or processing activities:**

- (A) For which the PAPA application does not provide information sufficient to determine clear and objective measures to resolve identified conflicts;
- (B) Not requested in the PAPA application; or
- (C) For which a significant change to the type, location, or duration of the activity shown on the PAPA application is proposed by the operator.

The application review did not reveal any conflicts. Comprehensive Plan may be amended based on the Board of Commissioners adopted findings.

**(f) Where mining is allowed, the local government shall determine the post-mining use and provide for this use in the comprehensive plan and land use regulations. For significant aggregate sites on Class I, II and Unique farmland, local governments shall adopt plan and land use regulations to limit post-mining use to farm uses under ORS 215.203, uses listed under ORS 215.213(1) or 215.283(1), and fish and wildlife habitat uses, including wetland mitigation banking. Local governments shall coordinate with DOGAMI regarding the regulation and reclamation of mineral and aggregate sites, except where exempt under ORS 517.780.+**

The present use of the site is grazing. The site will be reclaimed after the mining operation is no longer in operation

**(g) Local governments shall allow a currently approved aggregate processing operation at an existing site to process material from a new or expansion site without requiring a reauthorization of the existing processing operation unless limits on such processing were established at the time it was approved by the local government.**

The proposed site is a new site.

### **Comprehensive Plan Goal 5 Inventory**

This proposed amendment to the Morrow County Comprehensive Plan is to add the Ella Pit to the list of Goal 5 protected, significant resources aggregate sites. The following proposed changes will be made in Chapter Page 7 of 31, adopted 10-01-13 Open Space, Scenic and Historic Area Aggregate mines with Goal 5 Protection. A list of aggregate sites, attached, includes both those with protections under Goal 5 and those located on farmland required to be listed in the Comprehensive Plan. Some were declared significant when the Comprehensive Plan was adopted in 1980 and acknowledged in 1986, and others were on Morrow County's inventory of significant aggregate sites as of September 1, 1996, thus meeting the requirements of OAR 660-023-0180(3)(c). The remainder, approved since that date, were protected under the rules prescribes in OAR 600 Division 23, some being protected under Goal 5 with the majority being on farmland and meeting the requirements of listing in the Comprehensive Plan (MC OR-1-2013) See attached Inventory.

## **VI ARTICLE (6) CONDITIONAL USES, Morrow County Zoning Ordinance.**

### **6. Operations for the exploration, mining and processing of geothermal resources as defined by subsection (4) of ORS 522.005, aggregate and mineral resources.**

**SECTION 6.020. GENERAL CRITERIA.** In judging whether or not a conditional use proposal shall be approved or denied, the Commission shall weigh the proposal's appropriateness and desirability, or the public convenience or necessity to be served against any adverse conditions that would result from authorizing the particular development at the location proposed and, to approve such use, shall find that the following criteria are either met or can be met by observance of conditions.

#### **A. The proposal will be consistent with the Comprehensive Plan and the objectives of the Zoning Ordinance and other applicable policies and regulations of the County.**

The subject quarry area is a rocky hillside used for grazing. Stockpiling, screening, crushing and hauling of aggregate is located on land zoned for Exclusive Farm Use where mining and mining activities are allowed as a Conditional Use. This application also includes a Plan Amendment to add the aggregate resource to the Comprehensive Plan as a significant site and a Zoning Map Amendment to apply the Aggregate Resources Overlay Zone. With the adoption of the Plan and Map Amendments and the applicable criteria in the MCZO, the proposed quarry complies with this standard.

#### **B. If located within the Urban Growth Boundary of a city, that said city has had an opportunity to review and comment on the subject proposal.**

This requirement does not apply as the property is not located within the Urban Growth boundary of any city.

#### **C. The proposal will not exceed carrying capacities of natural resources or public facilities.**

The mining operation area is not located within a designated Critical Groundwater Area as defined in Administrative Rule by the Oregon Department of Water Resources (OWRD). Water for dust abatement and crushing was not addressed in the application but presumably water will be hauled in with a water truck. The applicant will use water from a permissible source. The mining operation area is within the Lone Rural Fire Protection District and the District was

mailed a copy of the preliminary Staff Report. The applicant has not stated how solid waste will be removed from the proposed site. There is no current sewage disposal method at the site, but a portable restroom may be set up for use during mining activity. Based on this the application can be found to not exceed carrying capacities of natural resources or public facilities and therefore complies with this standard.

#### **SECTION 6.025 RESOURCE ZONE STANDARDS FOR APPROVAL**

**Note: These county standards are the same as ORS 215.298.**

**A. In the Exclusive Farm Use Zone, a conditional use may be approved only when the County finds that the use will not:**

- 1. Force a significant change in accepted farm or forest practices on surrounding lands devoted to farm or forest use; or**
- 2. Significantly increase the cost of accepted farm or forest practices on surrounding lands devoted to farm or forest use.**

The proposed mining activity is common throughout central and southern Morrow County and historically has been compatible with adjacent farming and grazing. Dust from mining activities can be a nuisance or negative impact to some farming operations and therefore dust abatement is recommended as a condition of approval.

Where these county standards are the same as ORS 215.298, the land use is found to comply with both state and local standards in this regard.

#### **SECTION 6.030. GENERAL CONDITIONS.**

**In addition to the standards and conditions set forth in a specific zone, this article, and other applicable regulations; in permitting a new conditional use or the alteration of an existing conditional use, the Commission may impose conditions which it finds necessary to avoid a detrimental impact and to otherwise protect the best interests of the surrounding area or the County as a whole. These conditions may include the following:**

**A. Limiting the manner in which the use is conducted including restricting the time an activity may take place and restraints to minimize such environmental effects as noise, vibration, air pollution, glare and odor.**

The mining activities will remain within the boundaries of the permitted area and is expected to create minimal environmental effects.

If an air quality permit is required by the Department of Environmental Quality, for example for the operator or permittee of the portable rock crusher, said operator shall be required to secure appropriate permits from the DEQ. To ensure the discharges of contaminants and dust created by the mining operation comply with the applicable DEQ ambient air quality and emissions standards, this is listed as a condition of approval.

Hours of operation were not mentioned in the application. As noted above, Planning Department proposes that this permit not limit hours of operation unless complaints are filed.

This application can be found to be in compliance with this standard.

**B. Establishing a special yard or other open space or lot area or dimension.**

Given the distance from neighboring lands and property lines, there does not appear to be a need to impose additional setbacks other than required in the underlying zone and to comply with reclamation requirements. The application can be found to comply with this standard.

**C. Limiting the height, size or location of a building or other structure.**

There are no plans for a permanent structure at the mining site. If a structure is found to be needed, whether temporary or permanent, a zoning permit will be required.

**D. Designating the size, number, location and nature of vehicle access points.**

Ella Road will provide the single point of access to the quarry area.

**1. Where access to a county road is needed, a permit from Morrow County Public Works department is required. Where access to a state highway is needed, a permit from ODOT is required.**

Although applicant is Morrow County Public Works, an Access Permit should be approved for the new use.

**2. In addition to the other standards and conditions set forth in this section, a Traffic Impact Analysis (TIA) will be required for all projects generating more than 400 passenger car equivalent trips per day. A TIA will include: trips generated by the project, trip distribution for the project, identification of intersections for which the project adds 30 or more peak hour passenger car equivalent trips, and level of service assessment, impacts of the project, and mitigation of the impacts. If the corridor is a State Highway, use ODOT standards. (MC-C-8-98)**

The application did not address traffic impacts or estimate traffic volume. However, based on estimates from Public Works, truck traffic during hauling will be far below the 400-passenger car equivalent trips per day. Identified road impacts are addressed below. No TIA is deemed necessary.

**E. Increasing the amount of street dedication, roadway width or improvements within the street right-of-way.**

Additional street dedication is not proposed and is not warranted. The mining activity will utilize a private roadway that connects to Ella Road.

**1. It is the responsibility of the land owner to provide appropriate access for emergency vehicles at the time of development. (MC-C-8-98)**

The subject site is in the Lone Rural Fire Protection District, which has been provided a copy of the Preliminary Findings.

**F. Designating the size, location, screening, drainage, surfacing or other improvement of a parking area or loading area.**

The applicant provided a site plan that shows the general area for mining activity. A more specific site plan may be submitted in the future by the applicant or operator. The location is remote and parking will be provided on site. The



applicant did not specify how dust will be controlled but presumably it will be water from a water truck on site. Drainage from the mining will need to be contained on site.

**G. Limiting or otherwise designating the number, size, location, height, and lighting of signs.**

The application did not indicate whether signs will be used for the aggregate site. Safety signs such as “trucks crossing” may be installed temporarily during hauling periods.

**H. Limiting the location and intensity of outdoor lighting and requiring its shielding.**

The application did not identify outdoor lighting. It is expected that, when needed, lights may be used during hours of operation. It is recommended that lighting be limited during non-operating hours.

**I. Requiring diking, screening, landscaping or another facility to protect adjacent or nearby property and designating standards for its installation and maintenance.**

Morrow County will utilize these methods to mitigate impacts to nearby properties.

**J. Designating the size, height, location and materials for a fence.**

Signs are not proposed in the application. Any fence 6 feet in height or taller will require a Zoning Permit.

**K. Protecting and preserving existing trees, vegetation, water resources, wildlife habitat or other significant natural resources.**

The mining area will occur within an area that has very limited vegetation. There are no existing trees; vegetation is minimal and includes limited forage for grazing. There are no known water resources on site; water for dust abatement and for processing will be hauled in with a water truck. This preliminary Staff Report will be provided to Oregon Department of Fish and Wildlife (ODFW) and Oregon Water Resources Department with an opportunity to provide comment and to recommend conditions of approval.

The County has been established as a Weed Control District and requires that noxious weeds be controlled by local landowners. It is the duty of the landowner (or operator if by contract) to destroy or prevent the establishment and spread of identified noxious weed species. It is therefore recommended and listed as a Condition of Approval that the landowner make diligent and practical effort to eradicate weeds at the aggregate site that have been listed as “weeds of economic importance” and to prevent their spread.

**L. Other conditions necessary to permit the development of the County in conformity with the intent and purpose of this Ordinance and the policies of the Comprehensive Plan.**

This mining operation will be subject to MC-C-3-98 the Morrow County Surface Mining Ordinance.

**SECTION 6.050. STANDARDS GOVERNING CONDITIONAL USES.**

**A conditional use shall comply with the standards of the zone in which it is**

located and with the standards set forth in this subsection.

**Local Permit Approval Criteria: An application for mineral or aggregate mining must address provisions found in Article 6 Conditional Uses Section 6.020 General Criteria, Section 6.025 Resource Zone Standards for Approval when in a Farm or Forest Zone, and the following:**

**1. Proposed hours and/or days of operation. The conditions as to when the mining and processing would be restricted to specific hours of operation or days when mining operations would be limited. For operations conducted after dark, limiting the location and intensity of outdoor lighting and requiring its shielding. See above discussion under Criteria 6.030(A) above.**

**2. Limiting or otherwise designating the number, size, location, height, and lighting of signs. Signs other than safety signs must comply with the sign requirements in Section 4 of the Zoning Ordinance.**

See above discussion under Criterion 6.030(G).

**3. A rock crusher, washer or sorter shall not be located within 500 feet from a residential or commercial use unless it can be established that the use will meet DEQ performance standards for noise and not be expected to cause a noise nuisance at nearby residential or commercial uses. In farm or forest use zones the processing of rock, aggregate or minerals shall not be within one-half mile of a noise sensitive area if the operation operates more than nine hours per day or for more than five days per week. (ORS 467.120(2)).**

The nearest dwelling is more than 1500 feet away.

**4. All water necessary for the proposed operation shall be appropriated and legally available to the site.**

There are no known water sources on site. Water will be supplied with a water truck. Oregon Water Resources Department has been identified as an affected agency and has been provided a copy of the Preliminary Findings of Fact and may submit comments. Otherwise, the quarry operation will obtain water from an appropriate source for use in dust abatement.

**5. The discharge of airborne contaminants and dust created by mining shall comply with applicable DEQ ambient air quality and emissions standards, or approval shall be conditioned to ensure that such standards will not be violated.**

The application does not identify the name of the rock crushing company. However, Morrow County contracts with a private rock crushing company. Morrow County Public Works will do the hauling and excavating after rock crushing is stockpiled. The owner of the rock crusher is responsible to hold appropriate DEQ air permits.

**6. A Reclamation Plan approved by DOGAMI will be required for**

mining operations. When reviewing an applicant's submittal regarding a proposed reclamation plan, Morrow County will review the plan against the following criteria:

- a. A description of the present land use and planned beneficial use of the site following the mining activity. The applicant must demonstrate that the planned beneficial use is compatible with the Comprehensive Plan and Zoning Ordinance.
- b. Provisions for the backfilling, recontouring, topsoil replacement, seedbed preparation, mulching, fertilizing, selection of plant species, seeding or planting rates, and schedules;
- c. Provisions for adequate setbacks and slopes to protect adjacent property and public safety;
- d. A proposed time schedule for surface mining and reclamation procedures for the removal or disposal of all equipment, refuse, structures, and foundations from the permit area except permanent structures that are part of an approved Reclamation Plan.

Morrow County is not required to comply with DOGAMI reclamation since county adopted Ordinance MC-C-3-98. Morrow County will comply with reclamation requirements set forth in ORD MC-C-3-98.

**7. In accordance with the Transportation System Plan, the requirements of the Public Works Department or the Oregon Department of Transportation shall be complied with regarding the minimization of potential conflicts to local roads used for access and egress to the mining site.**

Morrow County Public Works will design and permit an appropriate access for the quarry.

**8. Designating the size, number, location and nature of vehicle access points.**

- a. Where access to a county road is needed, a permit from Morrow County Public Works department is required. Where access to a state highway is needed, a permit from ODOT is required.

See above discussion under Criterion 6.030(D) above.

- b. In addition to the other standards and conditions set forth in this section, a Traffic Impact Analysis (TIA) will be required for all projects generating more than 400 passenger car equivalent trips per day. A TIA will include: trips generated by the project, trip distribution for the project, identification of intersections for which the project adds 30 or more peak hour passenger car equivalent trips, and level of service assessment, impacts of the project, and mitigation of the impacts. If the corridor is a State Highway, use ODOT standards. (MC-C-8-98)

See above discussion under Criterion 6.030(D).

**9. Increasing the amount of street dedication, roadway width or improvements within the street right-of-way. It is the responsibility**

**of the land owner to provide appropriate access for emergency vehicles at the time of development. (MC-C-8- 98)**

See above discussion under Criterion 6.030(E).

**10. An application for a mining operation contiguous to an existing operation approved under this section shall be evaluated in conjunction with the existing site when it appears the sites will be managed and operated as one.**

The proposed mining operation is not contiguous to an existing approved operation.

**11. Ensuring adequate space for parking and loading.**

See above discussion under Criterion 6.030(F).

**12. Approvals for or that include operations that batch and blend mineral and aggregate into asphalt cement may not be authorized within two miles of a planted vineyard. (one or more vineyards totaling 40 acres or more that are planted as of the date the application for batching and blending is filed).**

This criterion is not applicable as the subject property is not within two miles of a planted vineyard.

**13. A plan for the control of noxious weeds. (MC OR-1-2013)**

The applicant shall provide to the Morrow County Weed Coordinator/Inspector a weed plan for the control of noxious weeds and “weeds of economic importance.” This shall include a pre-mining weed survey. This is listed as a condition of approval.

**VII AGENCIES NOTIFIED:** Amanda PUNTON and Dawn HERT Department of Land Conservation and Development; Teresa Penninger, Oregon Department of Transportation; Nicholas Tatalovich, DOGAMI; Department of Environmental Quality, Bend Region Office, Air Quality Specialist; Mike Gorman, Morrow County Assessor; Eric Imes, Morrow County Public Works; Lone Rural Fire Protection District

**VIII HEARING DATES:**

Planning Commission  
North Morrow Government Building  
December 6, 2022

Board of Commissioners  
February 8, 2023  
Bartholomew Building, Heppner

**IX RECOMMENDATION OF THE MORROW COUNTY PLANNING COMMISSION:**

Proposed recommendation from Planning Commission to the Morrow County Board of Commissioners: adopt the Findings, add the 20-acre aggregate site to the list of Goal 5 Significant Aggregate Resources in the Comprehensive Plan, apply the Aggregate Resources Overlay Zone and approve the Conditional Use Permit. Recommendation includes allowing mining at the subject property subject to the following Conditions of Approval;

**CONDITIONS OF APPROVAL:**

1. The quarry operator shall comply with mining and operating permits in accordance with County Ordinance MC-C-3-98.
2. Quarry will be operated in accordance with state and federal Mine Safety regulations.
3. Operating hours have not been established, but if concern is raised by nearby owners or other persons affected by the operation of the quarry, hours of operation may be established by the Planning Director.
4. The applicant and operator shall take appropriate measures to abate blowing dust and sand.
5. Once adopted, the Goal 5 protection and the Significant Resources Overlay Zone requires that any new use within 1,500 feet from the quarry that would have the potential to conflict with the protected mining site, such as a residential use, or uses that would cover or prevent access to the site, shall be evaluated as required and shown to not conflict with the mining use. For mitigation purposes, appropriate conditions of approval for the new use may be required.
6. Provide to the Morrow County Weed Coordinator/Inspector a weed plan for the control of noxious weeds and "weeds of economic importance." This shall include a pre-mining weed survey.
7. Provide verification from DEQ that the mining operation complies with applicable DEQ ambient air quality and emissions standards and submit the air permit, if applicable.
8. Provide water for dust abatement and mining.
9. Hours of operation for the aggregate mining will not be limited. However, in the future if complaints are raised by neighboring property owners, Planning Department may impose limitations to hours of operation.
10. Site shall remain free of garbage and debris and will otherwise comply with the Solid Waste Ordinance.
11. Upon reclamation, the site shall be returned to appropriate farm or grazing use or wildlife habitat.

MORROW COUNTY BOARD OF COMMISSIONERS

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Chair

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Commissioner

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Commissioner

Attachments:

Vicinity Map

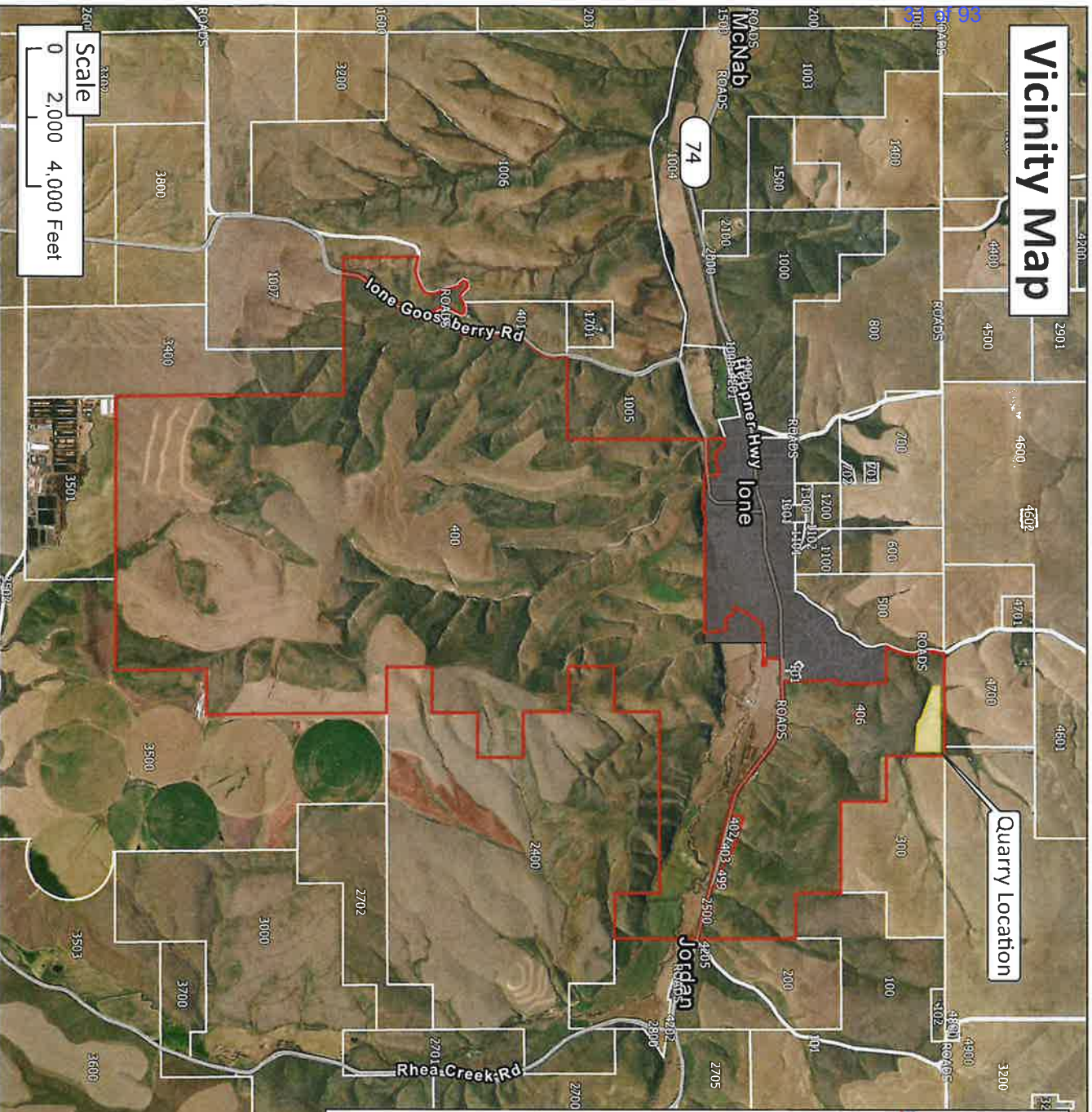
Soils Map

1,500 Impact Study Area Map

Comprehensive Plan Goal 5 Significant Resource Inventory

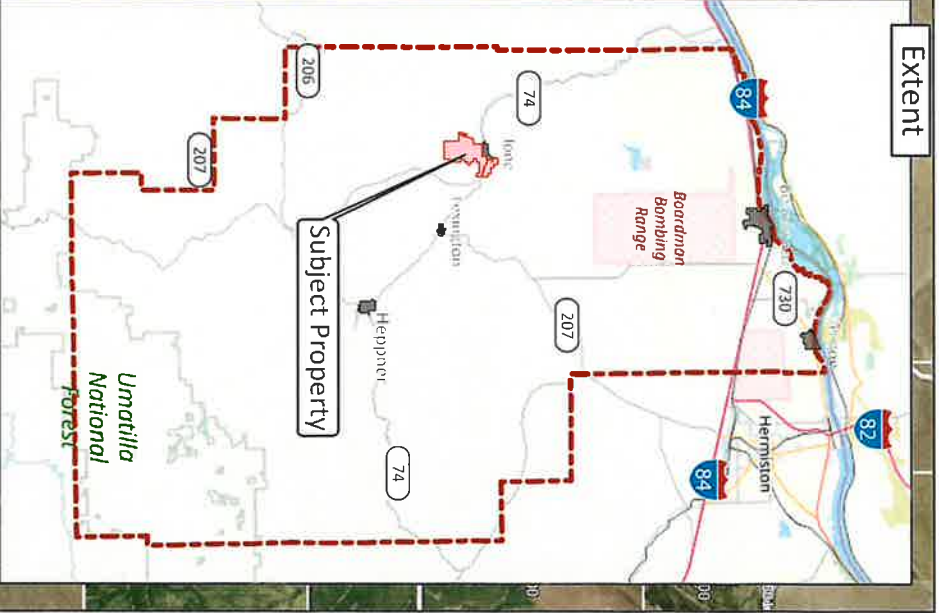
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# Vicinity Map

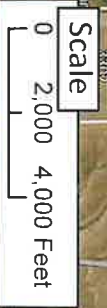


Quarry Location

# Extent



Subject Property



**CUP-S-357-22**  
**AC-141-22**  
**AC(M)-142-22**  
 Morrow County Public Works  
**1S24E TL400**

## Legend

Taxlot  Subject Parcel

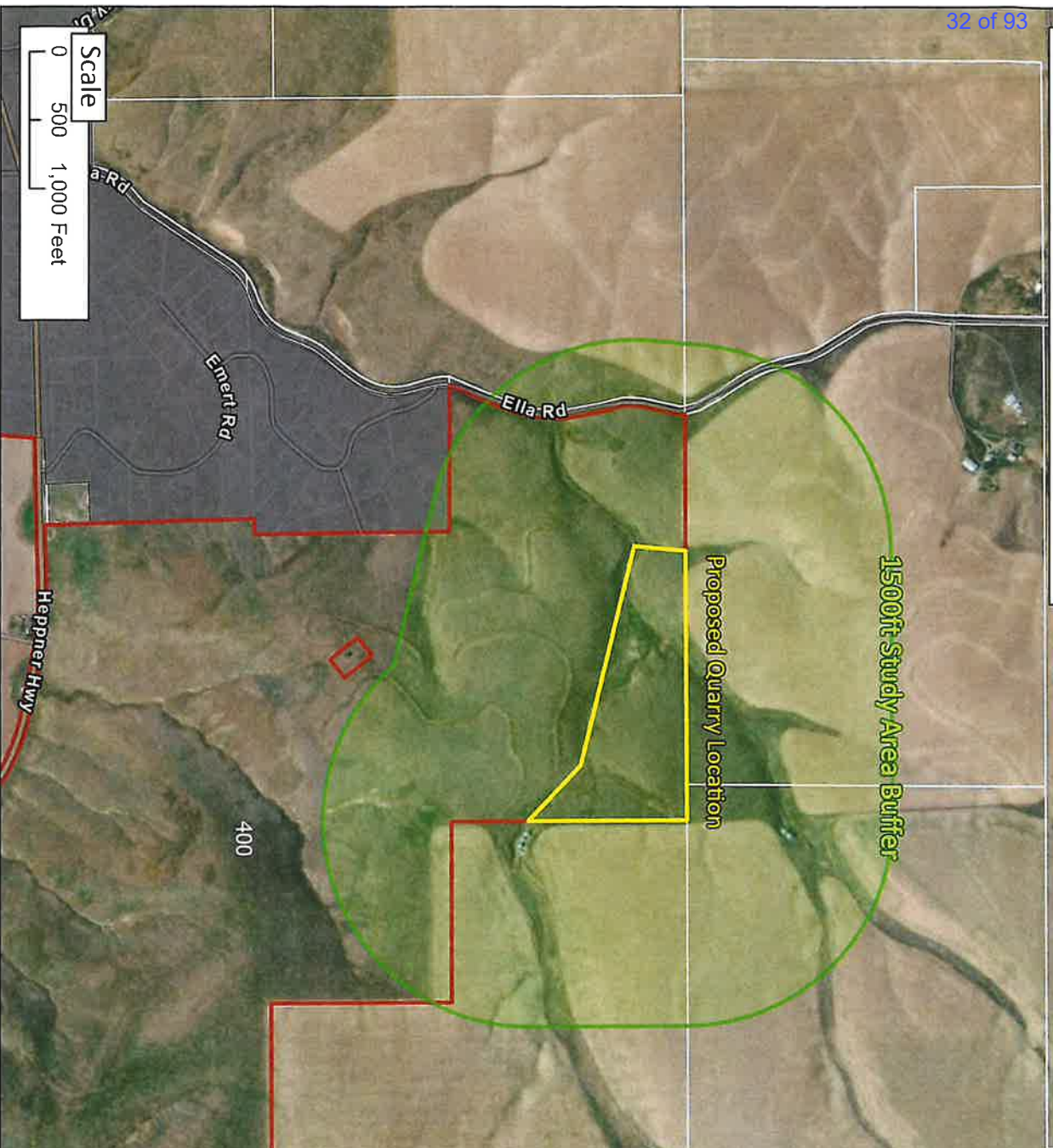


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Cartography By: Stephen Wreccies  
 Morrow County Planning Department  
 Coordinate System: NAD83 Oregon GIC Lambert ft  
 Datum: North American 1983  
 Projection: Lambert Conformal Conic



# 1500ft Impact Study Area

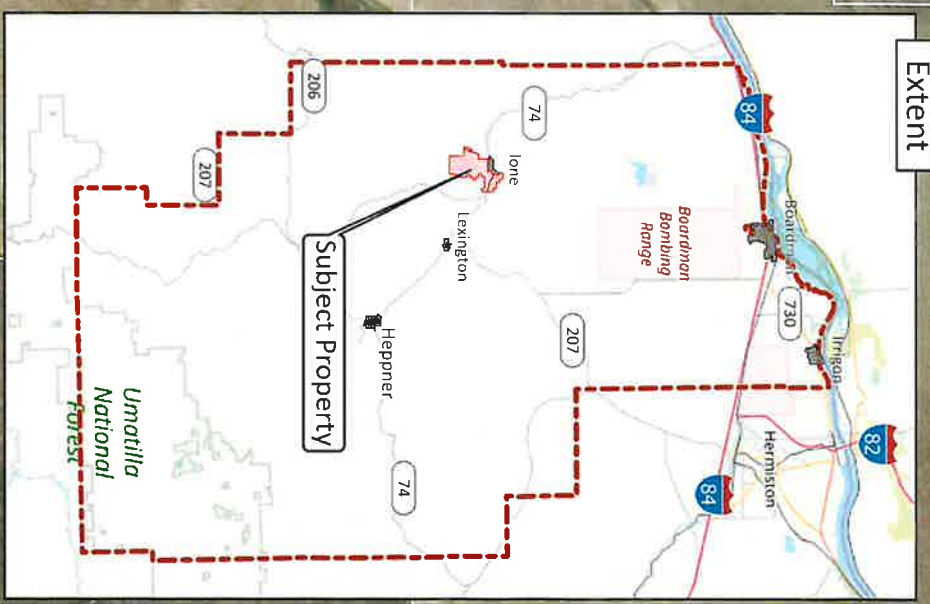


**CUP-N-357-22**  
**AC-141-22**  
 Morrow County  
 Public Works  
 1S24E TL400

### Legend

Taxlot Subject Parcel

### Extent

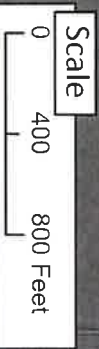
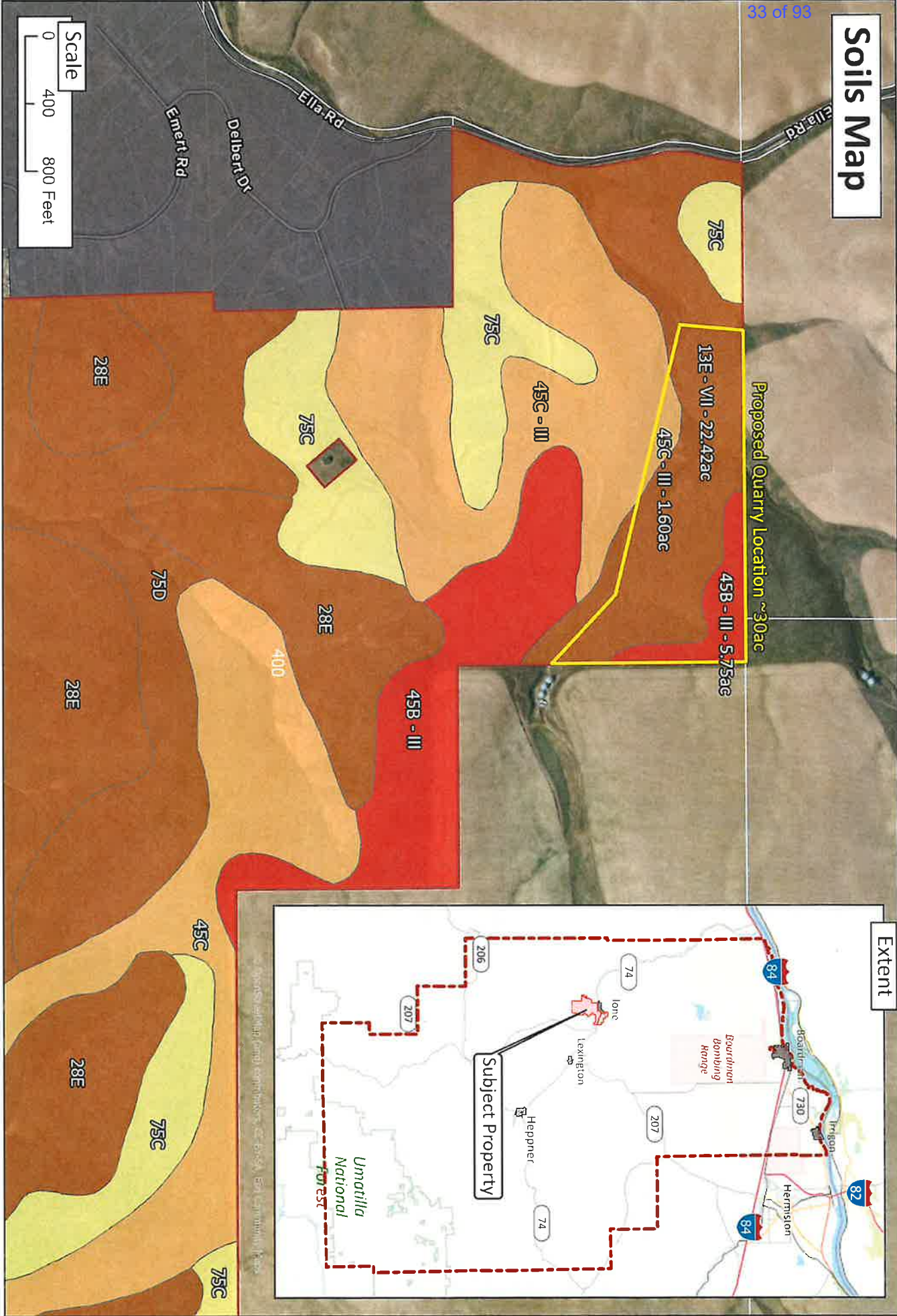


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 Morrow County Planning Department  
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 Datum: North American 1983  
 Projection: Lambert Conformal Conic





# Soils Map



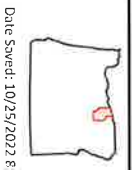
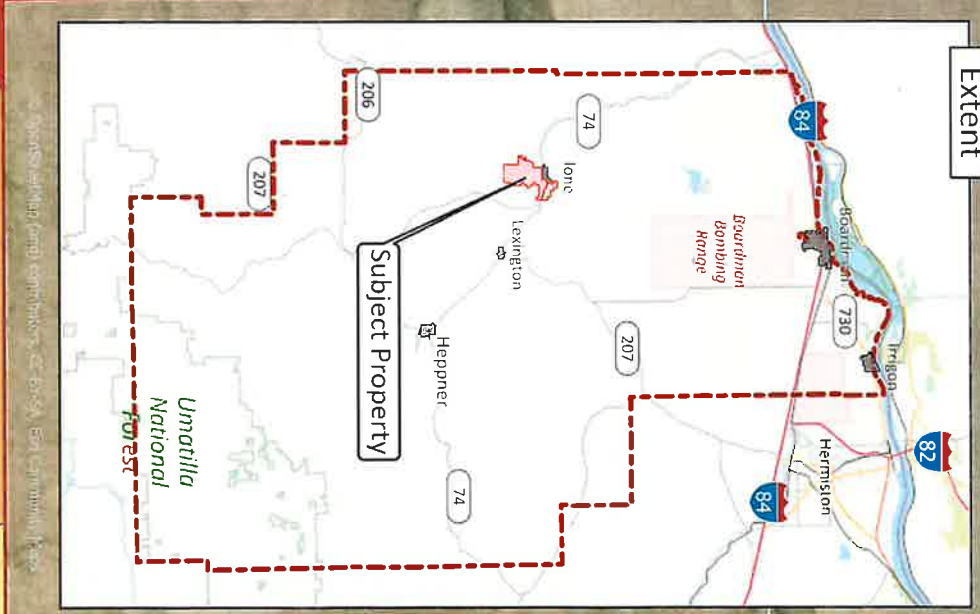
**CUP-N-357-22**  
**AC-141-22**  
Morrow County  
Public Works  
1524E TL400

## Legend

Taxlot

 Subject Parcel

## Extent



Date Saved: 10/25/2022 8:27 AM

Cartography By: Stephen Weescics  
Morrow County Planning Department  
Coordinate System: NAD83 Oregon GIC Lambert ft  
Datum: North American 1983  
Projection: Lambert Conformal Conic



**Inventory of Natural Resources**  
Aggregate and Mineral Resources

Goal 5 Significant	Farmland Significant	Site Name	Owner	Map and Tax Lot	DOGAMI #	Other Number
	Yes	Zinter Quarry MP 60.45 Wasco-Hep Hwy	ODOT	3S 23 26 TL 3400	25-0043	ODOT #25-018
	Yes	Halverson Site	MC/Halverson	1S 23 27 TL 2300	25-0044	PW #217
	Yes	Rivercrest	Rivercrest Farms/Baker Produce South	2N 26 7 TL 500 or 501?	25-0046	Check against 25-0041!!!
	Yes	Albert Wright Pit	MC/Wright Century Farm	4S 25 28, 33 TL 3800	25-0050	PW #236
	Yes	Carlson	MCPW/4C Ranches	3S 24 7 TL 1401	25-0051	PW #237
	Yes	Little Butter Creek	MCPW/Currin Ranches	1S 28 TL 1600	25-0052	PW #209
	Yes	Hellberg-Wise Pit	Wesley Wise/Max Hellberg	5N 26 26 TL 203	25-0053	
	Yes	Turner	MCPW/Turner Ranch	2S 27 17 TL 1300	25-0054	PW #219
	Yes	Madison Section 16	Madison, Kent	3N 27 16 TL 1100	25-0056	
	Yes	Sand Lake	Boardman Tree Farm	3N 26 26 TL 1401	25-0059	
	Yes	Doherty-Juniper Pit	MCPW/Doherty	1N 25 3 TL 700	25-0061	PW #238
	Yes	L & M Pit	Miller & Sons/L&M Ranch	2S 26 23, 26, TL 3402, 3301	25-0062	
	Yes	Padberg Pit	Miller & Sons/Padberg	1S 24 27 TL 3501	25-0067	
	Yes	Heideman Quarry	Heideman/4DG Land Co.	1N 23 19 TL 3102	25-0068	
	Yes	Ely Canyon Quarry, Heideman II	WI Construction /Heideman	1N 23 28 TL 6001	25-0070	
	Yes		Wade Aylett	4N 27 28 TL 800	30-0129	
	Yes	Thompson Pit	MC/Brian Thompson	4S 27 TL 900		PW #240, CUP-S-105, MC-C-5-97
	Yes		Kevin Haguewood	1N 23 28 TL 5900		CUP-N-284 AC-040-10 AC(M)-041-10
	Yes		John Kilkenny	2S 28 28 TL 1300		CUP-S-297 AC-057-12 AC(M)-058-12
	Yes		Madison Farms	3N 27 30 TL 1700		CUP-N 271 AC-018-09 AC(M)-017-09

**Inventory of Natural Resources**  
Aggregate and Mineral Resources

Goal 5 Significant	Farmland Significant	Site Name	Owner	Map and Tax Lot	DOGAMI #	Other Number
Yes		Cecil Quarry, Cecil Rock Production	ODOT	2N 23 6, 7 TL 1100	25-0003	ODOT #25-007
Yes		Lexington Quarry MP 39 Heppner	ODOT	1S 25 35 TL 600	25-0017	ODOT #25-009
Yes		Walpole Gravel Pit	MC/ODOT	5N 27 20 TL 1504,2200	25-0018	ODOT #25-005
Yes		Britt Quarry	Marty Britt/Sid and Randy Britt	1N 27 TL 1400	25-0069	
Yes		Willow Creek Ranch	Willow Farms, LLC/Mark Zoller	2N 23 17 TL 1401	25-0071	
Yes		Hellberg Goal 5	Max Hellberg	5N 26 26 TL 203		DLCD# 001-04
	Yes	Six-Mile Pit	Three Mile Canyon Farms	4N 23 23, 24 TL102	25-0006	
	Yes	Kinzua Resources	Port of Morrow	2S 26 21 TL 2701	25-0004	
	Yes	Boardman	Eucon Corporation	4N 24 23 TL 402	25-0015	
	Yes	So Bombing Range Pit	MC/ Irvan Rauch	1N 26 18 TL 3200	25-0020	PW #210
	Yes	J. J. Aylett	Aylett, Jeddie & Juanita	4N 27 28 TL 300, 1101	25-0023	
	Yes	East Fork Dry Ck Quarry MP 59.6 Wasco-Heppner Hwy	ODOT	3S 23 27 TL 3001	25-0024	ODOT #25-056
	Yes	Cutsforth Quarry	Cutsforth	1S 25 20 TL 2000	25-0027	CUP-N-5(1983)
	Yes	Rhea Creek Quarry	MC/Melvin Harnett	3S 26 32 TL 3200	25-0029	PW #247/220
	Yes	Zinter Quarry	MC/Zinter Dev.	3S 23 27 TL 3400	25-0030	ODOT #30-018, PW #221, Check against 25-0043!!
	Yes	Clark Canyon Quarry	MC	2S 25 15 TL 1702	25-0031	PW #201
	Yes	Skinnners Fork Quarry	MC	3S 27 12 TL 400	25-0032	PW #228
	Yes	Butter Creek Quarry/Curmin Pit	MC/Curmin Ranch	1N 28 25 TL 700	25-0033	PW #239/224
	Yes	Dougherty Pit/Sandhollow	MC/Jerry Dougherty	1S 27 7 TL 505	25-0034	PW# 226
	Yes	Chick Quarry/Reitmann Pit North	MC/Bridston	1N 23 12 TL 3600, 2200	25-0035	PW #227
	Yes	Rugg Quarry/Road Canyon Pit	MC/James Martin	4S 26 22 TL 1502	25-0038	PW #230
	Yes	2011 Ruhl Quarry	Rich Ruhl	2S 24 10 TL 600	25-0039	PW #229
	Yes		Finley Buttes Landfill Company	2N, 3N 26 5, 32 TL 301	25-0040	
	Yes		Easy Way Contracting, Inc.	2N 26 7 TL 501	25-0041	CUP-N-34
	Yes	Hellberg Pit	MC	5N 26 26 TL 206	25-0042	PW #231/241



**MEMORANDUM**

To: Morrow County Board of Commissioners  
 From: Tamra Mabbott, Planning Director  
 CC: Planning Commission  
 BOC Date: November 9, 2022  
 RE: Monthly Planning Update

**Mission Statement**

*Morrow County Planning Department provides guidance and support to citizens for short term and long-range planning in land use, to sustain and improve the county’s lands for future generations. Our goal is to foster development where people can live, work & play.*

**Planning Permits**

	<u>September</u>	<u>October</u>
<b><u>Zoning Permits</u></b>	13	12
<b><u>Land Use Compatibility Reviews</u></b>	3	4
<b><u>Land Partitions</u></b>	0	2
<b><u>Land Use Decisions</u></b>	0	0
<b><u>Rural Addresses</u></b>	2	4
<b><u>Property Lines Adjustments</u></b>	0	2
<b><u>Replat</u></b>	0	1
<b><u>Other</u></b>	1	1

**Planning Commission Update**

Recruitment is open for three positions on the Planning Commission, one to fill a position representing the Heppner area, one position for a person who lives in the Irrigon area and another for a person who lives in the lone area. Please submit a letter of interest to the Planning Department. Anyone interested serving on the Planning Commission is encouraged to contact Tamra Mabbott, Planning Director, at (541) 922-4624 or any staff member at the Planning Department.

**Natural Hazard Mitigation Plan**

Staff are actively involved in the update of the NHMP, in particular with GIS mapping, coordinating with public agencies and identifying projects that might qualify for resiliency funding such as floodplain mapping or projects.

Related to natural hazards planning, this summer the Oregon Department of Forestry published fire risk maps as required by Senate Bill 762 (2021). In response to a large number of landowners

who raised concerns about the maps, DOF withdrew the maps and will be revising and re-publishing in Fall 2023.

The Oregon Department of Land Conservation & Development completed the “Wildfire Adapted Communities Recommendations Report” September 30, 2022. The report includes recommendations for reducing wildfire risk. A copy is available here:

<https://www.oregon.gov/lcd/NH/Pages/Wildfire-Adapted-Communities.aspx>

The 2019 Morrow County Wildfire Protection Plan is available here:

<https://www.co.morrow.or.us/planning/page/community-wildfire-protection-plan-cwpp>

**Drone Technology** Stephen Wrecsics, GIS Planner and Drone pilot (FAA Part 107 Small Unmanned Aerial System license) is honing his pilot skills. Planning staff recently met the County Counsel and Undersheriff Brian Snyder to learn more about legal guidelines and protocol for using the drone to take photos.

### **Energy Projects**

Staff held multiple meetings with applicants and state agencies to review renewable energy applications. List of pending and approved projects can be found here:

<https://www.co.morrow.or.us/planning/page/renewable-energy-1>

Planning Director participated in the Oregon Energy Siting Policy Conversation, a statewide work group. The meetings have drawn to a close but may resume in 2023. Information shared during the meetings may be forwarded to Oregon Legislature either as a Legislative Concept or for background for lawmakers.

### **Morrow County Heritage Trail**

Stephanie Case is leading efforts, together with a grant writing consultant, to work on several grant applications related to the Heritage Trail. Irrigon High School student Caren Cardenas, student intern for the 2022-23 school year is working on an inventory of the Interpretive Panels. (Last year Irrigon High School Student Intern put together a similar report of directional signs.) Stephanie and Caren recently uncovered electronic files of the existing interpretive panels. People interested in the Interpretive Panels and would like to share ideas please contact Stephanie at [scase@co.morrow.or.us](mailto:scase@co.morrow.or.us) or (541) 922-4624.

### **Willow Creek Valley**

Work with Brian Points Consulting for the Goal 9 Economic Development Update for the three Willow Creek Valley Cities continues. The first deliverable, the Work Plan and Outreach Plan is attached. The final Housing Implementation Plan (HIP) is nearly complete and will be shared next month.

### **WATER**

Responses to the Request for Proposals (RFP) to recruit a water coordinator close November 7, 2022. A committee was formed to evaluate the proposals and make a recommendation to the Board of Commissioners. An Intent to Award is scheduled for November 23<sup>rd</sup>. The consultant will provide a variety of technical, legal, regulatory and policy guidance on water quality and quantity matters effecting Morrow County.

Planning staff continue involvement in the newly appointed and organized Lower Umatilla Basin Groundwater Management Area (LUBGWMA) Committee which is co-chaired by Commissioner Lindsay and Umatilla County Commissioner Dan Doran. Planners from Umatilla and Morrow County are collaborating with state agencies to develop consistent and accurate data and GIS information about the LUBGWMA.

#### **Access to Transportation**

Transit Manager and Planning Director and continue work with Eastern Oregon University's Rural Economic Vitality (REV) Program and Euvalcree to gain better input on access to transit and transportation. The work is funded by a Rural Transit Equity grant from Department of Land Conservation & Development (DLCD) with the intent to help traditionally underserved communities in rural areas. Euvalcree will begin direction outreach with residents this month. The information will help refine transit services, transportation planning in general and to better understand potential use of the Morrow County Heritage Trail and a potential bike/pedestrian trail system connecting Irrigon and Boardman.

#### **Oregon Chapter of the American Planning Association (OAPA)**

This year the annual OAPA conference was held in Pendleton which provided a great opportunity to focus on rural planning. Planning Director was co-chair of the conference with the them Let 'er Plan! Stephanie Case, Planner II attended, as did County Planning Commission Member Mary Killion.

#### **OTHER**

All staff attended the Irrigon Chamber luncheon in October. This was the first in-person chamber meeting in several years. It was a terrific opportunity to meet business and civic members, share the work of the Planning Department generally and invite residents to be involved in the Heritage Trail planning work.

**Halloween** Third Place in the door decorating Contest!



**Michaela Ramirez**

---

**From:** Tamra Mabbott  
**Sent:** Friday, October 7, 2022 2:04 PM  
**To:** Michaela Ramirez  
**Cc:** Stephanie Case; Stephen Wrecsics  
**Subject:** FW: Courtesy Email on Council Approval of Final Order on Site Certificate for the Boardman to Hemingway Transmission Line

Michaela - please add this to correspondence in the December PC packet.

**From:** Oregon Department of Energy <ODOE@cd.energy.oregon.gov>  
**Sent:** Friday, October 7, 2022 1:44 PM  
**To:** Tamra Mabbott <tmabbott@co.morrow.or.us>  
**Subject:** Courtesy Email on Council Approval of Final Order on Site Certificate for the Boardman to Hemingway Transmission Line

**STOP and VERIFY This message came from outside of Morrow County Gov**

Click [here](#) if you are having trouble viewing this message.



## ENERGY FACILITY SITING COUNCIL

### **Courtesy Email on Council Approval of Final Order on Site Certificate for the Boardman to Hemingway Transmission Line**

**Description:**

At its September 27, 2022 meeting, the Energy Facility Siting Council (Council) approved the Final Order on the Application for Site Certificate (ASC), subject to site certificate conditions, for the Boardman to Hemingway Transmission Line (facility) and granted issuance of a site certificate for the construction, operation, and retirement of the facility. The certificate holder is Idaho Power Company (applicant), a wholly owned subsidiary of IDACORP, Inc.



The approved facility is a primarily 500 kilovolt (kV) transmission line spanning approximately 273 miles in Oregon. The facility includes the approved route and alternative routes and crosses five Oregon counties; Morrow, Umatilla, Union, Baker, and Malheur. The facility also includes related or supporting facilities including temporary and permanent access roads, communication stations, the Longhorn substation, pulling and tensioning sites, and multi-use areas used for construction.

Mailed delivery service of the Final Order on ASC to parties and limited parties in the contested case occurred on October 7, 2022, pursuant to ORS 469.403 and ORS 183.470. Only parties or limited parties in the contested case may file a petition for rehearing or appeal under the provisions of ORS 469.403. The deadline for the certificate holder to commence construction is October 6, 2026. The certificate holder must complete construction of the facility within four years of the construction commencement date.

**Additional Information:**

The ASC, Final Order, and Site Certificate are available on the ODOE webpage at: <https://www.oregon.gov/energy/facilities-safety/facilities/Pages/B2H.aspx>

*You received this notice either because you previously signed up for email updates through GovDelivery or ClickDimensions related to specific siting projects or all Energy Facility Siting Council activities (the "General List"). You will automatically receive all future notices per your request or GovDelivery/ClickDimensions choices, unless you unsubscribe via ClickDimensions or by contacting the Department.*

*If you have any questions or comments about ClickDimensions please feel free to contact the Department's Administrative Assistant, Nancy Hatch at 503-428-7905, toll-free in Oregon at 800-221-8035, or email to [nancy.hatch@energy.oregon.gov](mailto:nancy.hatch@energy.oregon.gov).*

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**Oregon Department of Energy**  
***Leading Oregon to a safe, equitable, clean, and sustainable energy future.***

The Oregon Department of Energy helps Oregonians improve the energy efficiency of their homes, provides policy expertise to prepare for Oregon's future energy needs, staffs the Energy Facility Siting Council, provides technical and financial assistance to encourage

investments in energy efficiency and renewable energy resources, promotes the cleanup of the Hanford nuclear site, and ensures state preparedness to respond to emergencies at energy facilities.



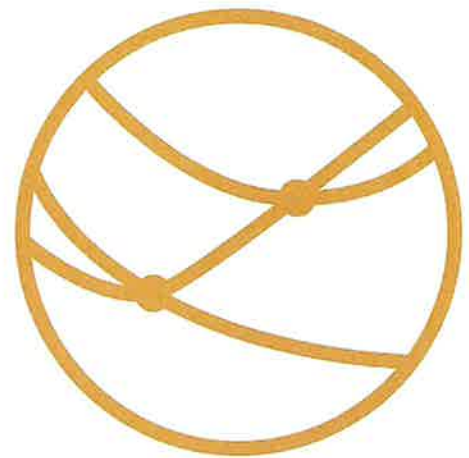
[AskEnergy@oregon.gov](mailto:AskEnergy@oregon.gov) | 503-378-4040 | 550 Capitol St. NE in Salem  
Click [here](#) to unsubscribe or [here](#) to change your Subscription Preferences.

Points Consulting  
PO Box 8487  
Moscow, Idaho 83843  
208-596-5809  
points-consulting.com

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# Morrow County Goal 9 Work Plan & Inclusive Outreach Plan

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*For: Goal 9 TAC Committee*

*From: Points Consulting*

*Date: October 10, 2022*

## I. Project Launch

Points Consulting (PC) and Nexus Planning held the project launch meeting with the Morrow County Goal 9 Task Advisory Committee (TAC) on Wednesday August 17<sup>th</sup>, 2022 at the Bartholomew building in Heppner, OR. The following participants were present:

Points Consulting & Nexus Planning:

- Brian Points – Project Lead
- Ryan Hyuges – Senior Planner & GIS Analyst
- Madeline Bowen – Project Assistant

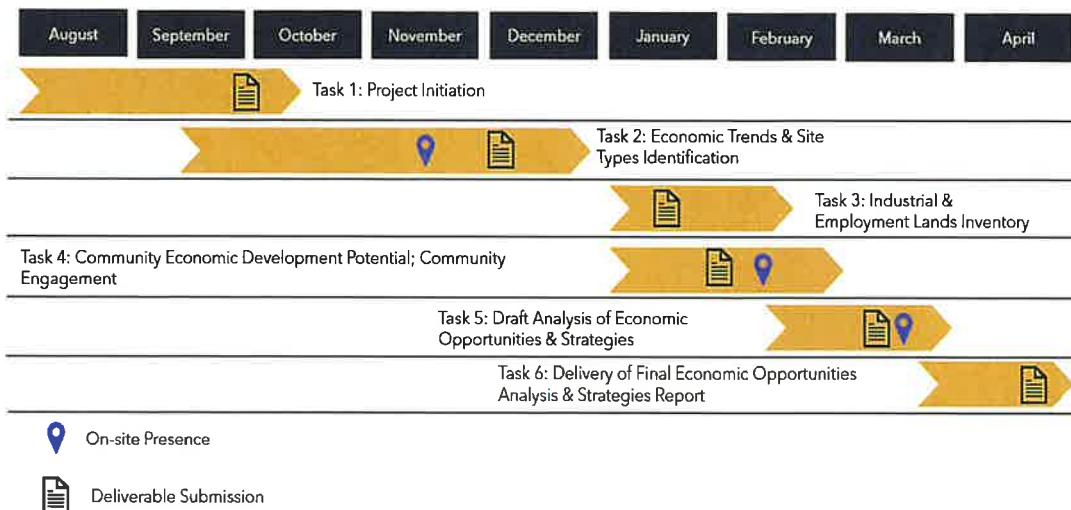
Goal 9 Technical Advisory Committee:

- Tamra Mabbott – Morrow County Planning Director
- Veronica Hess – City of Lexington Town Recorder
- Katie Imes – City of Lexington Council Member
- Kraig Cutsforth – City of Heppner City Manager
- Kim Cutsforth – Willow Creek Valley Economic Development Group Board Chair
- Dawn Hert – DLCD Representative
- Melissa Lindsey – Morrow County Commissioner

## II. Timeline

The schedule of deliverables and approximate dates for this project are as follows. The chart which follows also indicates how those deliverables align with particular tasks:

- *Deliverable 1*: Project Work Plan & Inclusive Outreach Plan (Estimated date October 15, 2022)
- *Deliverable 2*: Trend reports for each City and Willow Creek Valley (Estimated completion date December 31, 2022)
- *Deliverable 3*: Draft Inventory Report (Estimated completion February 15, 2023)
- *Deliverable 4*: EOA for each City, schedule & facilitate 3 community townhalls (Estimated Completion February 28, 2023)
- *Deliverable 5*: Draft EOA & Meeting summaries (Estimated Completion March 30, 2023)
- *Deliverable 6*: Final Comprehensive Report & Presentation (Estimated Completion April 30, 2023)



### III. List of Sources

The following list contains current data sources and reports PC is utilizing for this study:

- Port of Morrow 2021 Economic Impact Analysis, 2019
- Morrow County Housing Strategies Report, 2019
- Morrow County Housing Implementation Strategy 2022 Background Report
- Morrow County Housing Implementation Plan (final coming in October/November)
- Joseph, Lostine, and Maupin EOA reports
- City of Lone Zoning Ordinances
- Lone Transportation System Plan
- Town of Lexington Zoning Ordinances/Development Code
- Lexington Transportation System Plan
- City of Heppner Transportation System Plan
- City of Heppner City Code
- Greater Eastern Oregon Development Corp CEDS, 2014-2019
- U.S. Census
- Public Use Microdata Sample (P.U.M.S)
- Publix Use Microdata Areas (P.U.M.A.S)
- The Oregon LMI Shop
- Portland State University
- Morrow County Tax Assessor
- Flood Insurance Study 2007
- Hermiston - Boardman Connector/Boardman - Port of Morrow Circular, 2021
- "Amazon's overwhelming presence in Morrow County" - Beat Check podcast
- Natural Hazard Mitigation Plan
- Leigh McIlvaine, Goal 9 Economic Development Specialist, DLCDC

## IV. Inclusive Outreach

Points Consulting will develop an introductory letter which summarizes the Goal 9 project, and the project teams planned interactions with the public. This will include an introductory letter created by PC and approved by TAC to send to stakeholders and advertise in the communities of each City. The letter will be signed by a designated community representative. The letter will be electronically sent to stakeholders and organizations identified in a shared list with PC and TAC that are pertinent to discuss with during this study. An example of this letter would be the following:



Dear Residents of Willow Creek Valley and Community Development organizations:

The Morrow County Planning Department, in partnership with the cities of Heppner, Lane and Lexington, is developing an Economic Development and Employment Lands Assessment for south Morrow County. This effort will fulfill the Department of Land Conservation and Development's (DLCD) [Goal 9](#) requirement that cities have an inventory of employment lands available to realize economic growth opportunities. The Morrow County Planning Department, on behalf of the three cities, obtained grant money from the Oregon Department of Land Conservation and Development to fund this study.

The cities, county and Willow Creek Valley Economic Development Group elected Points Consulting and Nexus Planning, a team of economists and planners based in the Pacific Northwest, to facilitate this plan. Research and development of this plan will require engagement with residents and community members. This letter is intended to provide an introduction for Points Consulting and to encourage community members to engage with this process. There will be multiple opportunities to do so in the proceeding months including town hall events and a community survey. Engagements will start in early January and end in early March of 2023.

The work will be supervised by the appointed committee members for this Goal 9 Economic Development and Employment Lands Assessment project. Thank you for your interest and participation. The following people may be in contact with you, and if you would like to discuss beforehand, please call or email using the information below:

Brian Points | Project Lead, Phone: (208) 596-5809, Email: [brian@pc-consult.com](mailto:brian@pc-consult.com)

Madelina Bowen | Project Assistant, Phone: (208) 860-2024, Email: [madelina@pc-consult.com](mailto:madelina@pc-consult.com)

Sincerely,  
Kim Cutler

Tanna Malcott

[WCVEDG Board Chair]

[Morrow County Planning Director]

Additionally, the project team will coordinate with individual City managers/leaders to schedule and reserve day/time/location for individual City Hall presentations. The City Managers/Leaders will be responsible for advertising and encouraging attendance at each respected townhall. PowerPoint's will be created for each townhall with specific and relative industry & demographic information for each City. Public comments/feedback will be documented and summarized at the next following Goal 9 team meeting. Individual interviews with stakeholders and businesses, along with public comments, will also be summarized in Community Engagement of the report for TAC to review.

# WILLOW CREEK VALLEY HOUSING IMPLEMENTATION STRATEGY



Prepared for  
Morrow County  
and the Cities of Heppner,  
Lone, and Lexington

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## Acknowledgements

- Teresa Penninger (Oregon Department of Transportation representative)
- City of Madras (regarding Housing Incentive District)
- City of John Day (regarding Housing Incentive District)
- Courtney Crowell (Regional Solutions Coordinator, Eastern Oregon)
- Julie Keniry (Rural Engagement and Vitality Center, Eastern Oregon University)
- Kim Cutsforth (Willow Creek Valley Economic Development Group)
- Josh Bruce (University of Oregon/IPRE)
- Ryan Degrofft and Melissa Drugge (Business Oregon)
- Susan Christiansen (Greater Eastern Oregon Economic Development Corporation)
- Commissioner Melissa Lindsay (Morrow County)
- George Nairns (Morrow County)
- Dawn Hert (DLCD Regional Representative – Eastern Oregon)

## Advisory Committee

- Kraig Cutsforth (City of Heppner)
- Veronica Hess (City of Lexington)
- Councilor Katie Imes (City of Lexington)
- Tamra Mabbott (Morrow County)
- Elizabeth Peterson (City of Ione)

## Consultant Team

- Nicole Underwood (ECONorthwest)
- Emily Picha (ECONorthwest)
- Brad Baird (Anderson Perry & Associates)

## A. Introduction and Purpose

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The Cities of Ione, Lexington, and Heppner have worked over the past 20 years to increase housing production in the Willow Creek Valley. Many of the new housing units have been the result of a public-private partnership between the Willow Creek Valley Economic Development Group (WCVEDG) and the Ione Community Agri-Business Organization (ICABO). While that formula has produced some new housing, the lack of infrastructure along with a lack of developer capacity in the area has caused housing development to stall.

Cities across Oregon are struggling to attract housing development, especially development that would be suited to low- and middle-income families. Findings from stakeholders indicate that the biggest barriers to housing development in the area include a lack of developer capacity, along with a lack of capacity to advocate for and pursue additional funding for infrastructure and amenities.

The cities have contracts with Anderson Perry & Associates (a civil engineering firm) to develop a plan to address water and wastewater infrastructure deficiencies. However, other barriers to housing development remain:

- Lack of city capacity and expertise to pursue planning projects and grant opportunities
- Lack of developer capacity in the region to build housing
- Lack of available funding for infrastructure and desired amenities

This Implementation Plan outlines a set of interventions for the cities to pursue to address the Willow Creek Valley's housing needs.

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The 2019 Morrow County Housing Strategies Report identified a number of strategies to support housing development throughout the county. The goal of this Housing Implementation Plan is to help the Cities of Heppner, Ione, and Lexington advance two strategies identified in that report:

Land Supply Strategy 1: Evaluate and Address Infrastructure Issues in the cities of Ione, Lexington, and Heppner.

Code Strategy 2: Enhance Local Amenities and Services. Garner local input on city amenities that residents desire to enhance livability in each town.

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The Background Report, included in Appendix C, summarizes information on the housing market, proposed infrastructure, and amenity projects in each of the communities.

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## B. Implementation Framework

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The purpose of this evaluation and implementation framework is to help the Cities of Lexington, Heppner, and Ione identify and phase investments to address housing needs. This framework provides a structure for the cities, Morrow County, and partners as they implement the recommended actions.

### WHY: Collaborate to build capacity

**The three cities want to build new housing and maintain current housing stock to attract families to the area and ensure that current residents can stay in the area.** However, limited housing options and amenities make it challenging to attract and retain residents. The cities can better act if they do so in concert. This collaborative implementation plan seeks to identify actions for the cities to:

- **Upgrade their water/wastewater infrastructure to support new development.** The three communities are in various stages of planning work with Anderson Perry & Associates (a civil engineering firm) to update their respective water system and/or wastewater system master plans.
- **Pursue investments to overcome transportation and floodplain barriers.** The communities face similar challenges obtaining necessary funding to support community investments. They also lack sufficient planning and grant writing capacity and expertise to pursue projects and associated funding.
- **Attract developers or contractors for near-term development.** These communities lack the labor and developer capacity necessary to finance and construct new housing.

#### The Case for Collaboration

Regional Rural Revitalization Strategies is a developing partnership between the Cities of John Day, Burns, and Lakeview. The purpose of this partnership is to share staff and resources among the three municipalities to better cover costs related to housing needs and other public improvement projects. The partnership would essentially allow the small cities to “hunt as a pack” and pursue larger projects than they would otherwise be able to independently. The increased purchasing power and sharing of current assets results in accumulated cost savings.<sup>1</sup>

The Willow Creek Valley should consider opportunities to collaborate when each city could benefit from combined action.

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<sup>1</sup> Davis, J. (2022, May 25). Regional partnership taking shape between John Day, Burns and Lakeview. The Blue Mountain Eagle. Retrieved September 1, 2022, from [https://www.bluemountaineagle.com/news/regional-partnership-taking-shape-between-john-day-burns-and-lakeview/article\\_522d25d8-d893-11ec-a656-abfb8599301e.html](https://www.bluemountaineagle.com/news/regional-partnership-taking-shape-between-john-day-burns-and-lakeview/article_522d25d8-d893-11ec-a656-abfb8599301e.html)

## WHO: Heppner, Lexington, and Ione in partnership with Morrow County and other regional organizations

Implementing the actions in this plan will have a higher likelihood of success if the Cities of Heppner, Lexington, and Ione coordinate with Morrow County, other local government entities, and community partners. While many actions in this plan will apply to all the cities, some will be more targeted. Morrow County can play a strong role in supporting cities in their individual efforts as well as coordinating communication and resources across the communities.

### Possible roles

- **Heppner, Ione, and Lexington:** Lead implementers and grant writers
- **Morrow County:** Provide technical assistance (e.g., mapping and analysis), support planning capacity, pursue grants (supported by potential Community Development Director role)
- **Rural Engagement and Vitality Center:** Potential convener with other jurisdictions and engagement with students on key projects
- **Willow Creek Valley Economic Development Group:** Assuming funding is available, offer development, grant writing, and planning support, as well as provide grants for key projects
- **Oregon Department of Transportation:** Funder for transportation investments
- **Business Oregon:** Technical assistance and funding
- **Federal agencies:** the US Department of Agriculture (USDA) and other federal agencies will provide funding
- **Other funding organizations** could include Morrow County, Port of Morrow, Columbia River Enterprise Zone (CREZ) Board, ICABO, local employers, State of Oregon, the Ford Foundation, and other private foundations

### WHAT: Interventions to support housing development

The biggest barriers to housing development in the three cities are lack of developer capacity and lack of capacity to advocate for and pursue additional funding for infrastructure and amenities. This plan identifies six interventions with implementing actions that provide the cities with a path forward to overcome these barriers.

### WHERE: The Willow Creek Valley

The cities experience many overlapping barriers. Most interventions could be used in all three cities. However, when appropriate, it is noted where an action is most applicable.

### WHEN: 5-Year Planning Horizon - Do Now, Do If, Do When

Due to limited funds and resources, the cities will need to prioritize and phase their actions. The “Do Now, Do If, Do When” framework detailed in Exhibit 1 can help the communities prioritize and phase city efforts and resources. This framework will allow the cities to quickly respond to external factors and initiatives such as new funding/grant announcements including Congressionally Directed Spending requests or new funds from the Oregon Legislature. Implementation steps for each proposed action are organized according to this framework.

- Interventions**
- A. Fill infrastructure project funding gaps to build water and wastewater systems resiliency
  - B. Seek funding for transportation infrastructure to support housing and other community priorities
  - C. Address floodplain issues in Lone, Heppner, and Lexington
  - D. Connect housing implementation to economic and workforce development
  - E. Identify innovative ways to produce housing in rural areas
  - F. Build planning and grant writing capacity

#### Exhibit 1. “Do Now, Do If, Do When” Framework for Prioritizing Efforts and Resources

Do Now	Do If	Do When
<p><b>Actions to pursue immediately in 2023</b></p> <p>These actions can be pursued immediately and are not contingent on other actions or external factors. These actions are foundational to pursuing additional actions and strategies.</p>	<p><b>Actions that require additional consideration; not guaranteed</b></p> <p>The cities should only pursue these actions if certain conditions are met. External partners and/or funding sources will be required.</p>	<p><b>Pursue later</b></p> <p>The cities should pursue when necessary foundational actions are complete and funding and other resources are available. These actions span the 5-year planning horizon taking place in the next 1 to 5 years.</p>

### HOW: Funding Sources and Partnerships

To address barriers to housing development, this plan provides action sheets for each intervention that the cities can take. These sheets detail implementation steps, potential partners, additional considerations, and potential funding sources.

## Potential Funding Sources

To implement the actions in this plan and ultimately support housing development, the cities will need to pursue a variety of funding sources.

Some of the actions in this plan could be implemented using funds that have been dedicated to the cities, including CREZ, American Rescue Plan Act (ARPA), and Amazon allocations. Regional partners may also be willing to provide support, including WCVEDG, ICABO, or the Port of Morrow.

Other potential funding sources the cities could explore include state and federal sources and grants from private organizations. Some potential funding sources are listed below. A more detailed matrix of grants that can support the planning and construction of water infrastructure is included in Appendix A. In addition to these sources, the cities should continue to monitor state agency and legislature creation of new funding opportunities aimed at improving infrastructure and building capacity for planning and housing.

- **Regional Rural Revitalization (\$30 Million).**<sup>2</sup> This program, advocated for by multiple legislators, will be used to revitalize rural communities through innovative workforce housing and infrastructure solutions. Funds will be reserved for rural areas with a preference for counties with historically low growth rates and underinvestment in housing infrastructure.
- **Business Oregon.** Business Oregon administers water/wastewater financing programs that fund the design and construction of public infrastructure needed to ensure compliance with the Safe Drinking Water Act or the Clean Water Act. These programs have had an increase in the normal allocation and are discussed in Business Oregon’s One Stop Process.
- **Oregon Water Resources Department (OWRD).** The OWRD provides two types of funding for feasibility studies and implementation projects that meet in-stream and out-of-stream water supply needs and produce economic, environmental, and social/cultural benefits.
- **Department of Land Conservation and Development (DLCD).** DLCD’s General Fund grants are used primarily for Oregon communities’ comprehensive planning and plan updates, but they also partner with Oregon Department of Transportation (ODOT) to provide Transportation and Growth Management (TGM) grants. TGM grants help local communities plan for transportation and land use needs that increase transportation

### Finding Funding for Key Infrastructure through the One Stop Process

All three cities will have One Stop meetings for their water and wastewater projects. The One Stop process brings together representatives from Business Oregon and other funding agencies to discuss project needs and identify the most promising funding package for the project and the city. While this can often be sufficient to meet city needs, sometimes gaps remain.

This plan does not explore One Stop funding in detail. However, per the cities’ requests, it does identify some supplemental funding sources for supporting water infrastructure resiliency and planning in Appendix A.

<sup>2</sup> Email from Representative Smith G. July 22, 2022 “Urgent Response Requested: Industrial Lands Fund Capitalization”

choices for Oregon residents and visitors. DLCD has recognized the need for capacity for small cities to do planning and may have additional funding and programs in the future.

- **Environmental Protection Agency (EPA).** The Water Infrastructure Finance and Innovation Act of 2014 (WIFIA) established the WIFIA program, a federal credit program administered by EPA for eligible water and wastewater infrastructure projects.
- **USDA Rural Development.** Focused on communities with populations of less than 10,000, offers funding for infrastructure (water and wastewater opportunities discussed in Business Oregon’s One Stop process), placemaking, housing, and other community priorities.
- **Bureau of Reclamation.** Provides 50/50 cost share funding for projects that conserve and use water more efficiently and accomplish other benefits that contribute to water supply reliability in the western United States.
- **Oregon Department of Transportation (ODOT).** ODOT manages programs that provide funding and technical assistance for transportation planning and improvements, including the Small City Allotment Program focused on cities with populations of 5,000 or fewer, Safe Routes to School Programs, and the TGM Program (joint program of DLCD and ODOT). Ione, Heppner, and Lexington have each utilized ODOT funding to varying degrees, but there are still opportunities to continue leveraging this funding for transportation improvements.
- **US Economic Development Administration (EDA).** EDA has a variety of grants and loan programs to support economic development in communities, including funds to support critical infrastructure that will allow businesses to locate or expand operations. If infrastructure projects or housing initiatives can be tied to business expansion or job retention, the cities could be eligible for some types of EDA funding.
- **Federal Emergency Management Agency (FEMA).** Grant funds are available for pre- and post-emergency or disaster-related projects. These funds support critical recovery initiatives, hazard mitigation, innovative research, and many other programs. Cities need to maintain an updated Natural Hazard Mitigation Plan (NHMP) to qualify for funding. Morrow County is coordinating a countywide NHMP update this fall. The cities and county should identify infrastructure projects necessary for resiliency as part of the NHMP update.
- **Ford Foundation.** Provides grants that help rural communities thrive, including their local economic base, social capital and community connections, community planning capacity, and public gathering spaces. They also provide technical assistance grants and capacity building opportunities.

Where applicable, these potential sources and partners are noted in the Action Sheets.



## C. Action Sheets

Attracting new housing to Willow Creek Valley will take a coordinated effort by the cities, Morrow County, regional partners, and funders. With targeted investments and partnerships, Willow Creek Valley could achieve its vision for more housing that supports the community. The strategic use of public funds can help to bridge funding gaps for infrastructure and new housing development. This chapter outlines six actions that can help the cities achieve their vision. Exhibit 2 provides an overview of the actions in the implementation plan.

**Exhibit 2. Overview of Actions**

	Action	Rationale	Cost to Cities*
A.	Fill infrastructure project funding gaps to build water and wastewater systems resiliency	Funding gaps may remain for all Willow Creek Valley infrastructure projects	Very high, many millions of dollars
B.	Seek funding for transportation infrastructure to support housing and other community priorities	Help to improve quality of life in the communities and can help to attract new residents.	Little direct cost to cities, but significant grant funding needed
C.	Address floodplain issues in lone, Heppner, and Lexington	Updating the floodplain map could reduce barriers to development and increase certainty for property owners.	Around \$250,000 in grant funding needed to support planning for map amendments
D.	Connect housing implementation to economic and workforce development	Link tourism, economic development, and placemaking opportunities to enhance funding opportunities. Focus on the construction trades to alleviate labor shortages and add development capacity to the region (longer term).	TBD
E.	Identify innovative ways to produce housing in rural areas	The cities may benefit from exploring how other rural cities have attracted developers through different types of incentives, innovative development models, or coordinated regional efforts	Depends on the approach used. The cities could pursue incentives that help to decrease the funding gap
F.	Build planning and grant writing capacity	The cities need additional planning capacity and expertise to pursue projects as well as funding to plan for and implement them.	TBD By collaborating, the cities can reduce costs

\*Many of the costs for these actions have not been clearly identified, and the cities will need to explore costs as a part of their implementation process.

## A. Fill infrastructure project funding gaps to build water and wastewater systems resiliency

<b>Description:</b>	Water and wastewater infrastructure is expensive, and Willow Creek Valley communities especially struggle to cover the capital costs associated with developing new infrastructure given their limited tax and fee revenues. While all three cities have gone or will go through the One Stop process, the cities are also interested in identifying supplemental funding tools to support water system and wastewater system resiliency. There may be opportunities to improve regional coordination and pursue additional sources of funding to fill these gaps.
<b>Rationale:</b>	With Anderson Perry's support, the Cities of Lone, Heppner, and Lexington are well equipped to address their water and wastewater deficiencies and identify funding packages to support these projects. However, funding gaps may remain. Lone expects to have a capital funding gap of up to \$2 million for its wastewater infrastructure improvements. While Heppner and Lexington have not yet completed their water and/or wastewater infrastructure planning processes (which will include One Stop meetings), both cities are interested in identifying additional funding sources since they may also have funding gaps.
<b>Funding Considerations:</b>	<p>Given recent investments, there is more money available through the One Stop process to support these types of projects than in years past. However, potential supplemental sources to build water resiliency are listed below. A more detailed description of some of these programs is included in Appendix A: Grants/Loans for Water Infrastructure.</p> <ul style="list-style-type: none"> <li>▪ Regional Rural Revitalization (\$30 Million)</li> <li>▪ Oregon Water Resources Department Feasibility Study and Water Project Grants</li> <li>▪ EPA Water Infrastructure Finance and Innovation Act program</li> <li>▪ USDA Rural Development Water and Environmental Programs</li> <li>▪ Bureau of Reclamation Water and Energy Efficiency grants and Small-Scale Water Efficiency grants</li> <li>▪ FEMA Hazard Mitigation funding (Natural Hazard Mitigation Plan must be up to date to qualify)</li> </ul>
<b>Partners:</b>	Morrow County, CREZ, Port of Morrow
<b>Implementation Steps:</b>	<p><b><u>Do now</u></b></p> <ul style="list-style-type: none"> <li>▪ Coordinate with Morrow County to determine how the cities can best communicate funding gaps to the County, Port, and CREZ Board to solicit support for priority projects from regional partners.</li> <li>▪ Participate in the Morrow County Natural Hazard Mitigation Plan (NHMP) beginning fall 2022. Each city is due to be updated. This is an opportunity to identify projects that may qualify for mitigation funding.</li> <li>▪ Review available funding sources listed under funding considerations to understand which sources may be most applicable if a gap exists. For more details on grants for water infrastructure and resiliency see Appendix A.</li> <li>▪ Lone: Work with Anderson Perry &amp; Associates and Business Oregon to plan for a new well.</li> </ul>

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**Do If**

- Consider convening the CREZ board to discuss the funding barriers and needs identified in the implementation plan process.

**Do When**

- Seek funding for projects identified in the NHMP process to ensure continued access to federal emergency resources
- When the master planning processes for water and wastewater infrastructure are complete, pursue gap funding considering the programs identified in this plan; tie funding sources to NHMP if applicable; coordinate with regional partners.

## B. Seek funding for transportation infrastructure to support housing and other community priorities

<b>Description:</b>	<p>Heppner, Lone, and Lexington have limited local funds to support transportation infrastructure improvements, public transit, and other community priorities. The cities also have amenity projects that they are interested in pursuing that will require additional funding sources. Projects include:</p> <ul style="list-style-type: none"> <li>▪ Lexington: historic preservation for buildings and property improvements in downtown; downtown/main street design; parks</li> <li>▪ Lone: main street revitalization; bike/ped infrastructure (the City is interested in adding a bike path from the high school to potential new sports field off N H St.); street crossing improvements (e.g., improving safety for pedestrians coming off the pathway near Ella Road); road paving</li> <li>▪ Heppner: infrastructure for new subdivisions; street crossing improvements</li> </ul>
<b>Rationale:</b>	<p>Investments in amenities and transportation can help to improve quality of life in the communities and can help to attract new residents. ODOT's Transit and Housing Study<sup>3</sup> completed in September 2022 highlights how transportation and housing are interrelated and affect a household's quality of life, physical environment, health outcomes, economic mobility, educational and cultural opportunities, and many other factors. Pedestrian/bike/transit infrastructure is especially important to consider when developing new housing, where residents may have limited access to vehicles (e.g., single-care households, students).</p>
<b>Funding Considerations:</b>	<p>ODOT programs will fund transportation improvements that are in the floodplain, but this can add to project costs (e.g., additional stormwater management needs, etc.). ODOT needs to know of local floodplain considerations when the cities apply for funding to accurately allocate sufficient funding.</p> <p>Available ODOT funding could include:</p> <ul style="list-style-type: none"> <li>▪ The Small City Allotment Grant: includes up to \$250,000 for street improvements. All three cities have pursued this grant for the 2023 allocation.</li> <li>▪ Safe Routes to School Program: Heppner recently conducted an Identification Plan (PIP) to identify street crossing issues and applied for Safe Routes to School funding based on those PIP priorities.</li> <li>▪ Transportation and Growth Management: Lexington applied for \$175,000 to fund a Downtown Improvement Plan but did not receive the grant this cycle. The grant application has been recommended to the Quick Response Program instead.</li> <li>▪ Funding related to implementation actions identified through the <a href="#">Transit and Housing Study</a>. The cities and County should remain vigilant for new ODOT funding opportunities that could become available in response to this Study. Available grants to support rural public transportation includes 5311 Formula Grants for Rural Areas. This could relate to connecting people in Willow Creek Valley with transit options to reach jobs further away. Identifying specific</li> </ul>

<sup>3</sup> Oregon Transit and Housing Study. ECONorthwest. September 2022.

[https://www.oregon.gov/odot/Planning/Documents/ODOT\\_Transit\\_%26\\_Housing\\_Study\\_Final\\_Report.pdf](https://www.oregon.gov/odot/Planning/Documents/ODOT_Transit_%26_Housing_Study_Final_Report.pdf)

opportunities in the Valley could help the County to identify state and other funding.

Morrow County Public Transit is already a recipient of 5311 Formula Grants. The county, in coordination with other local partners, has developed several reports and studies that identify transit needs across the county. These reports could be used as a base for distributing funding or a starting point for additional studies, if needed.

- ODOT occasionally receives regional allocations

Other funding sources could include:

- Regional Rural Revitalization (\$30 million)
- Congressional direct spending
- Oregon Heritage grants for historic preservation of buildings (Lexington)
- Ford Foundation grants for community development
- USDA Rural Development grants for placemaking
- EDA grants if improvements are tied to economic development (e.g., to support bike tourism in Heppner)
- Cycle Oregon grants for promoting bike pathways

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**Partners:** ODOT, Morrow County

**Implementation Steps:**

**Do Now**

- Work with the County to communicate transportation improvement needs to ODOT. ODOT occasionally receives regional allocations, and communicating transportation needs preemptively could help ensure the cities receive funding when it is available.
- Review ODOT's Transit and Housing Study Toolkit to understand how the cities and County can employ different tools and actions to encourage and promote diverse transit-supportive housing options. Consider how these efforts can align with County Transit efforts to add transit service and to create a rideshare program to create new commute options for workers throughout the County
- Pursue targeted grant funding suggested in the funding considerations (ODOT, EDA, USDA, private foundations); consider leveraging grant writing and collaboration options outlined in Action F to enhance capacity to pursue grants.
- **Ione:** Work with the County and ODOT to advance key safety projects. For instance, improving safety for pedestrians coming off the pathway near Ella Road has been a priority for the City, but the speed study conducted by ODOT is still pending review.

**Do If**

In 2022, Lexington applied for a TGM grant to fund a Downtown Improvement Plan but did not receive the grant. Instead, the grant application has been recommended for the Quick Response Program.

- **Lexington:** If the Quick Response Program grant is awarded, release request for proposal to solicit consultant support for the Downtown Improvement Plan.
  - **Lexington:** If the Quick Response Program grant is not awarded, work with ODOT and DLCD to better understand the grant requirements and submit a new application in the future.
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## C. Address floodplain issues in Heppner, Lone, and Lexington

<b>Description</b>	Portions of all three cities are in the regulated floodplain, but the cities have taken steps to alleviate the hazard. The floodplain designation hinders new development and remodeling/restoration of existing buildings (if value is greater than 50%). The cities wish to re-evaluate the floodplain designation by pursuing a flood map amendment with FEMA. The existing floodplain maps can serve as a basis for starting the process. A licensed engineer would need to be involved. In addition, the cities' involvement in the Natural Hazards Mitigation Plan update will identify projects eligible for hazard mitigation grant dollars (e.g., Building Resilient Infrastructure and Communities [BRIC] grants).
<b>Rationale</b>	Updating the floodplain map could reduce barriers to development and increase certainty for property owners. Coordination on addressing floodplain issues in the Valley is an example of how the cities can join forces to tackle a challenge. Having an updated Natural Hazards Mitigation Plan opens up funding for existing infrastructure improvements.
<b>Funding Considerations</b>	Up to \$250,000 total for planning assistance to remap each of their floodplains. The County may have ARPA funding available that could be used to support floodplain mapping across the cities.
<b>Location</b>	Lone (primarily) with some opportunity in Heppner and Lexington See floodplain maps in Appendix B
<b>Partners</b>	Morrow County Emergency Management and Planning, Department of Land Conservation and Development State Floodplain Coordinator, Federal Emergency Management Agency
<b>Implementation Steps:</b>	<p><b>Do Now:</b></p> <ul style="list-style-type: none"> <li>▪ Request assistance from the County's planning department to compile needed materials and funding assistance for planning work (estimated at \$250,000 for all three cities per Kim Cutsforth and WCVEDG); this should include all work to date and could encompass historical perspectives where available.</li> <li>▪ Request County ARPA dollars to support floodplain mapping</li> <li>▪ Schedule an initial meeting with the new state floodplain manager (consider a joint meeting with all WCV cities)</li> <li>▪ Lone and Heppner: Request an amendment or revision to a flood map to change the city's floodplain designation.<sup>4</sup> Solicit cost estimate for engineering. Work with the County to file a letter of map revision/amendment.</li> <li>▪ Determine steps for Lexington and Heppner</li> <li>▪ Request County assistance with process to engage State Floodplain Coordinator and FEMA</li> <li>▪ Consider how the cities can share investment in LIDAR mapping of the floodplain</li> <li>▪ Secure funding for engineering</li> </ul> <p><b>Do If:</b> If the County hires a community development director, the County may be able to provide more robust technical assistance.</p>

<sup>4</sup> <https://www.fema.gov/flood-maps/change-your-flood-zone>

## D. Connect housing implementation to economic and workforce development

<b>Description:</b>	The cities could tie economic and workforce development to housing implementation in the Valley. The Port of Morrow's mission is to create jobs, but the County struggles to attract the necessary workers since there are limited places to live. Supporting housing implementation such as through infrastructure investment in the Valley is one way to ensure that the workforce has places to live. The Port may also have a role in promoting the construction trades to increase long-term developer capacity.
<b>Rationale:</b>	Tying tourism and placemaking opportunities with housing development can enhance opportunities for alternative funding sources. Additionally, workforce development programs could focus on the construction trades to alleviate labor shortages and add development capacity to the region (longer term).
<b>Considerations:</b>	While targeting workforce development programs toward the construction trades could help improve development capacity, it is unlikely to make a large difference in the short term. Additionally, it may help with some capacity constraints in Willow Creek Valley, but graduates may locate to other areas. It may be beneficial to implement an internship program to utilize student capacity in the region or a workshop program where students build housing in the region.
<b>Partners:</b>	Port of Morrow (Port has worked with Boardman and Irrigon on housing), County Tourism Coordinator, Morrow County School District and Lone School District (Student Housing Program), Morrow County Transit, Morrow County Community Development
<b>Implementation Steps:</b>	<p><b>Do Now:</b></p> <ul style="list-style-type: none"> <li>▪ Work with the Port of Morrow to understand what role it might play in infrastructure development and how it can support workforce development in the trades to alleviate labor shortages in the construction trades.</li> <li>▪ Work with the County Tourism Coordinator to align efforts</li> <li>▪ Attend the Placemaking in Small and Rural Communities Online Conference, where the cities can learn about placemaking and future funding sources. Training is virtual and coordinated by USDA Rural Development, which might have relevance for the City of Lone since the One Stop meeting identified USDA Rural Development as the best direction for infrastructure funding.</li> <li>▪ Explore grants, like the USDA Placemaking Grant, to increase amenities.</li> <li>▪ Consider how these efforts can align with County Transit efforts to add transit service and to create a rideshare program to create new commute options for workers throughout the County</li> </ul>
<b>Example</b>	The Columbia Basin Student Homebuilder Program is a homebuilding program for high school students in Hermiston, Oregon. Sponsored by the Northeast Oregon Homebuilders Association in partnership with the City of Hermiston and the Hermiston School District, this program is designed to equip students with in-demand skills, addressing long-term workforce skills gaps in the trades while simultaneously meeting the need for additional housing in the area. Students across five programs of study are involved in all facets of the process, design, construction, oversight, and marketing of one high-quality, energy-efficient residential home per year. This program started with a \$400,000 grant to build the first home and is now self-sustaining as the sale of the home funds the next year's build.

## E. Identify innovative ways to produce housing in rural areas

<b>Description:</b>	Water and wastewater infrastructure improvements alone will not guarantee additional housing development. All three cities face barriers when it comes to attracting development. Market-rate developers have little incentive to invest in the area due to limited opportunities for profitability. Not-for-profit organizations face staffing barriers to being able to manage development projects. Some contractors that have previously worked in the cities are backed up for multiple years. Financing also remains a barrier for both market-rate and not-for-profit developers.
<b>Rationale:</b>	The cities may benefit from exploring how other rural cities have attracted developers through different types of incentives, innovative development models, or coordinated regional efforts.
<b>Funding Considerations:</b>	<p>A Housing Incentive District (TIF funding approach) and other ways to locally raise funds could help fill the gap to make a project profitable. (WCVEDG conducted a market study in 2019 that showed the gap for profitability to develop a unit was about \$25,000.) However, incentives alone may not be enough to attract an outside developer.</p> <p>WCVEDG may be interested in developing more housing but needs funding to support a staff person to manage the development. The County or other partners could help WCVEDG seek ongoing funding for staff support. If WCVEDG were the developer, they may be able to take advantage of local incentives to ensure their projects are profitable.</p>
<b>Partners:</b>	WCVEDG, ICABO, Morrow County, Greater Eastern Oregon Development Corporation (GEODC), Housing Land Advocates, banks (e.g., Bank of Eastern Oregon)
<b>Implementation Steps:</b>	<p><b>Do Now:</b></p> <ul style="list-style-type: none"> <li>▪ <b>Talk to developers who have been developing housing at a larger scale in Eastern Oregon</b> (e.g., GCT Land Management, which developed the Veteran’s Village in La Grande, Oregon, but is also working on market-rate housing)</li> <li>▪ <b>Talk to prefabricated and modular builders</b> (Homes Direct has a prefabricated home viewing location in Albany, Oregon; Eastern Oregon Home Center is a KIT Custom Homebuilder–authorized retailer in La Grande, Oregon). This will allow the cities to explore how alternative housing types (modular and prefab housing) might alleviate limited developer and contractor capacity and reduce time and costs to build housing in Willow Creek Valley.</li> <li>▪ <b>Explore implementation of a Housing Incentive District</b>, which offers Tax Increment Financing (TIF) to provide incentives for building within designated city areas that have deteriorated structures, underdevelopment, or lack of development.</li> <li>▪ <b>Explore funding to support WCVEDG in developing additional housing in Willow Creek Valley.</b> WCVEDG has previously funded projects across the region and has interest in developing additional properties, but they need funding support to hire additional staff for managing housing development projects and filling profitability gaps.<sup>5</sup> Oregon Housing and Community Services or USDA’s rural housing development programs could be a partner in helping on key projects.</li> </ul>

<sup>5</sup> Interview with Kim Cutsforth, Willow Creek Valley Economic Development Group, May 5th, 2022, and Open House, September 19, 2022.



- **Utility funding.** Work with County or WCVEDG to provide partnerships and assistance developing a utility fund. The fund could be capitalized with \$500,000 in grant funds from CREZ, the cities, or another source for utility extensions and combined with the WCVEDG utility extension grant (\$10,000 per unit cap)
- **Explore the creation of a revolving low-interest loan fund,** in partnership with a local bank. The cities could pool funding, in partnership with a bank and GEODC, and make it available on a revolving basis for eligible projects. This fund could be tied to affordability requirements.

### Example

**Housing Incentive Districts:** The cities of John Day and Madras both established Urban Renewal Districts in their respective rural communities to help with compounding shortfalls of housing production. These Urban Renewal Districts use Tax Increment Financing (TIF) to provide incentives for building within designated city areas that have “deteriorated structures, under-development or lack of development.”

The City of John Day established their Urban Renewal District in 2018 covering about 130 acres of land, and the City of Madras established their Madras Housing Urban Renewal District (HURD) Plan in 2019 covering about 700 acres of land. Both cities offer incentives within their Urban Renewal Districts, including:

- Cash rebates on a portion of property taxes paid
- Direct contribution of funds
- Contributions to the developer for infrastructure development
- An agreement for the Urban Renewal Agency to complete infrastructure improvements that are required as a condition of development approval

Madras’s Urban Renewal District supports production of housing units across income levels. The 2020-2021 HURD report shows 19 new units completed and 366 additional units agreed upon and under contract.

**Prefabricated Housing:** Prefabricated and modular housing provide modern cost-saving methods to produce market-rate housing at a more affordable rate. These homes are built in a factory to about 80-90% of completion (typically 4-8 weeks) and are then trucked to the building site in “modular” pieces for quick on-site assembly. The building is subject to on-site inspection and approval after assembly to ensure local, state, and regional building codes are met (foundation approval can begin before assembling the building on the site). Construction labor shortages and large-scale unmet demand of housing in the Pacific Northwest make modular and prefabricated construction particularly intriguing.

Some of the benefits of modular and prefabricated housing include:<sup>6,7,8</sup>

- **Reduced costs.** Prefabricated housing is typically 10-35% less expensive than on-site stick-built homes. Prefabricated housing generally produces less building material waste, has lower material transportation costs, and lower labor costs.

<sup>6</sup> Manufactured or Modular Home - What's the Difference? Next Modular. (2021, May 10). Retrieved August 31, 2022, from <https://www.nextmodular.com/modular-manufactured-prefabricated-home/>

<sup>7</sup> Warwick, S. (2021, September 25). What are modular homes and what do they cost? we have the lowdown. Real Homes. Retrieved August 31, 2022, from <https://www.realhomes.com/advice/what-are-modular-homes>

<sup>8</sup> Bertram, N., Fuchs, S., Mischke, J., Palter, R., Strube, G., & Woetzel, J. (2019). (rep.). “Modular Construction: From projects to products.” McKinsey & Company. Retrieved September 1, 2022, from <https://www.ivvd.nl/wp-content/uploads/2019/12/Modular-construction-from-projects-to-products-full-report-NEW.pdf>.

- 
- **Faster construction and quicker move in.** Prefabricated homes can typically be built 20-50% quicker than on-site stick-built homes, requiring fewer manufacturers, suppliers, and subcontractors. They are less impacted by weather with on-site assembly ranging from 1 day to 3 months.
  - **Personal and customizable homes that can be easily expanded in the future.**
-

## F. Build planning and grant writing capacity

<b>Description:</b>	Planning for and funding desired projects remains a continuous challenge for the cities. Many staff are at capacity with their current workloads and have little or no time to pursue additional funding. There may be an opportunity to boost planning or grant writing capacity by collaborating with the County or WCVEDG to share capacity.
<b>Rationale:</b>	The cities identified the need for infrastructure and amenity projects beyond water and wastewater. The cities need additional planning capacity and expertise to pursue these projects as well as funding to plan for and implement them.
<b>Funding Considerations:</b>	The cities could consider pooling resources (together and with the county) to fund shared planning and grant writing staff or services. The cities could also solicit support from CREZ, Business Oregon, or WCVEDG.
<b>Partners:</b>	Morrow County, WCVEDG, Port of Morrow, GEODC, Rural Engagement and Vitality Center
<b>Implementation Steps:</b>	<p data-bbox="485 808 586 835"><b><u>Do Now:</u></b></p> <ul data-bbox="485 842 1424 1457" style="list-style-type: none"> <li data-bbox="485 842 1424 995">▪ Explore collaborative municipality models by talking with other cities that have implemented collaboration agreements to gather information on their experiences and how the cities may want to structure an agreement (e.g., Regional Rural Revitalization Strategies is a developing partnership between the Cities of John Day, Burns, and Lakeview)</li> <li data-bbox="485 1001 1424 1056">▪ Work with the County to identify which projects the cities would like to pursue that require the expertise of a planner and/or a grant writer.</li> <li data-bbox="485 1062 1424 1224">▪ Consider needs across the cities. How would a shared planner and/or grant writer split their time? Is there enough work for full-time employees between the cities and County? What are the cost differences between full-time employees and contract services? How can the County and WCVEDG best support the cities?</li> <li data-bbox="485 1230 1424 1457">▪ Monitor state activity that might create opportunities for direct funding and capacity building. Examples include legislation, Congressionally directed spending requests, DLCD Housing Needs and Analysis report recommendations, and DLCD or other state funding to create a regional program to help build capacity for small cities. Eastern Oregon University's REV Program or GEODC are entities that could expand in the future to include planning support for small cities.</li> </ul> <p data-bbox="485 1507 597 1535"><b><u>Do When</u></b></p> <p data-bbox="485 1541 1424 1633">After needs are identified, the cities and County should work together to determine preferred way of building planning and grant writing capacity. Options could include:</p> <ul data-bbox="485 1640 1424 1841" style="list-style-type: none"> <li data-bbox="485 1640 1424 1770">▪ <b>Hiring shared full-time employees.</b> A shared grant writer and/or a shared planner could be housed at the County with time split across the cities according to need or pre-established agreements. Costs could be split across the communities.</li> <li data-bbox="485 1776 1424 1841">▪ <b>Sharing contracted services.</b> The County has two grant writers of record as of summer 2022. The County could provide limited services in kind.</li> </ul>

- 
- **Building County capacity.** The County may consider hiring a Community Development Director to deploy support to cities as needed.
  - **Building WCVEDG capacity.** WCVEDG will be contracting with Heppner Community Foundation, which supports special districts and local government with administration and managing grants. If funding were available to support a full-time staff position, WCVEDG would be interested in providing grant writing and/or planning services to cities that demonstrated need.
  - **Build internal grant writing expertise.** The Ford Family Foundation's Pathways to Securing Rural Federal Funding Toolkit includes need-based mentoring to build grant writing expertise as well as (coming soon) a grant writer roster to assist agencies in developing and managing federal grant proposals.

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#### Examples

The **Regional Rural Revitalization Strategies** is a developing partnership between the Cities of John Day, Burns, and Lakeview. The purpose of this partnership is to share staff and resources among the three municipalities to better cover costs related to housing needs and other public improvement projects.

## Appendix A. Grants/Loans for Water Infrastructure

This appendix includes a limited number of potential grant opportunities that the cities could pursue to support water infrastructure. The cities should continue to monitor state agency and legislature creation of new funding opportunities for water infrastructure as well as funding opportunities aimed at building capacity for planning and for housing.

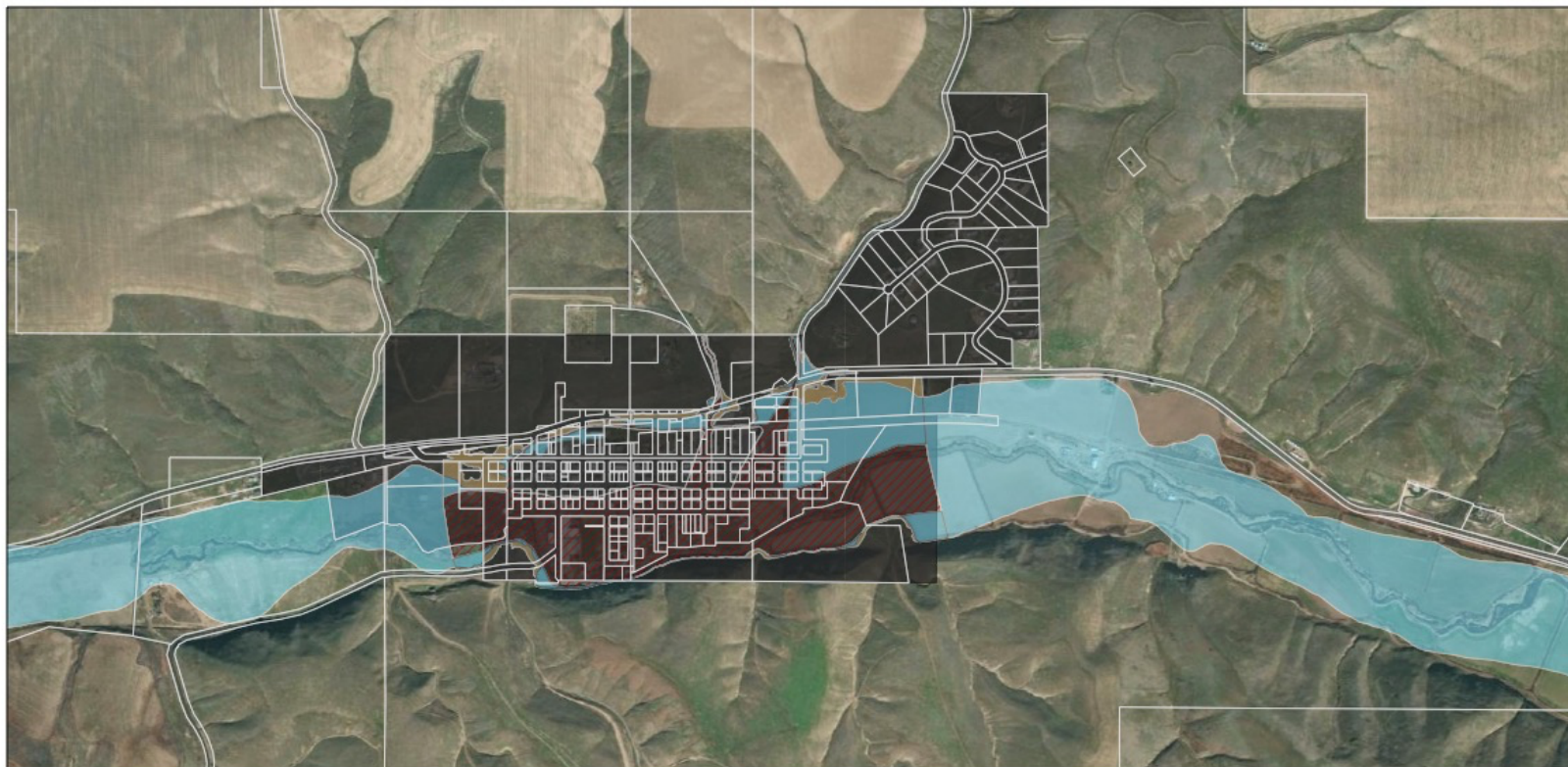
ID	Funding Program	Program Description	Eligible Projects	Eligible Applicants	Grant Program Criteria Evaluated	Funding Capacity
1	<b>OWRD Water Projects Grants and Loans</b>  <b>Funding Agency:</b> Oregon Water Resources Department	Funding for projects that will help Oregon meet its in-stream and out-of-stream water supply needs and produce economic, environmental, and social/cultural benefits. This competitive funding opportunity is meant for implementation-ready projects. Grants and loans are offered on an annual basis, with the applications due each spring.	Funds implementation-ready projects in conservation, reuse, above-ground storage, below-ground storage, streamflow protection or restoration, water distribution, conveyance or delivery systems, and other water resource development projects that result in economic, environmental, and public benefits.	Any local or tribal government or person may apply for funding.	Criteria document available on their webpage. Looking for highest likelihood of achieving greatest public benefits under three categories: economic, environmental, and social. Each category must achieve minimum rating of 7.	Past funding has ranged from \$150,000 to \$3 million. Funding is provided through the sale of lottery revenue bonds. An additional \$15 million in lottery revenue bonds, scheduled to be sold in March 2023, will provide funding for future cycles.  Grant requires a 25% cost match
2	<b>OWRD Feasibility Study Grants</b>  <b>Funding Agency:</b> Oregon Water Resources Department	Feasibility Study Grants fund qualifying costs of studies to evaluate the feasibility of developing water conservation, reuse, and storage projects. This competitive funding opportunity helps individuals and communities investigate whether a project is worth pursuing. Grants are offered on an annual basis, with applications due each fall.	Funds studies to evaluate the feasibility of developing water conservation, reuse, and storage projects	Any local or tribal government or person may apply for funding.  *Grant applications would likely require engineering expertise and assistance with grant writing	Technical preparedness, study goal, water availability and strategies, community engagement.	Grants require a 50% cost match of the total cost of the feasibility study, up to \$500,000.
3	<b>Sustainable Infrastructure Planning Projects (SIPP)</b>  <b>Funding Agency:</b> Oregon Health Authority	SIPP provides a 100% forgivable loan for planning infrastructure projects for water utilities to make them more sustainable and resilient. Grant cannot be used for any construction or engineering, only planning.	Feasibility Studies, Asset Management Plan, System Partnership Studies, Water Rate Analysis, Leak Detection Studies, Security Risk and Vulnerabilities Studies, Water System Master Plan for water systems with <300 connections, Seismic Risk Assessment and Mitigation	A water system may be awarded SIPP funds once every three years	System size (small systems prioritized), capital improvement history, future project potential, readiness to proceed, priority deliverable	Up to \$20,000 per project, 100% forgivable loan

ID	Funding Program	Program Description	Eligible Projects	Eligible Applicants	Grant Program Criteria Evaluated	Funding Capacity
4	<b>Water Infrastructure Finance and Innovation Act Program</b>  <b>Funding Agency:</b> Environmental Protection Agency	The Water Infrastructure Finance and Innovation Act of 2014 (WIFIA) established the WIFIA program, a federal credit program administered by EPA for eligible water and wastewater infrastructure projects.	Projects that are eligible for Clean Water and Drinking Water State Revolving Funds (SRFs), drought mitigation, alternative water supply, energy efficiency projects. Funds can be used for development, construction, acquisition costs.	Local, state, tribal, and federal government entities, partnerships and joint ventures, corporations and trusts and Clean Water and Drinking Water State Revolving Fund (SRF) programs	The program determines whether the project satisfies each category of criteria (Project Impact, Project Readiness, and Borrower Creditworthiness).	\$5 million minimum size for small communities (<25,000), 49% costs eligible for WIFIA funding, Federal funding cannot exceed 80% of project costs, 35-year maximum maturity for completion, 5 additional years after completion for repayment.  In some cases, loans from the SDWRLF can be used as required match funding for WIFIA funding.
5	<b>USDA Rural Development Water and Environmental Programs: Emergency Community Water Assistance Grants</b>  <b>Funding Agency:</b> USDA Rural Development	This program helps eligible communities with a population of 10,000 or less prepare, or recover from, an emergency that threatens the availability of safe, reliable drinking water. Emergency events including drought or flood, earthquake, tornado or hurricane, disease outbreak, chemical spill or leak, other disasters (federal disaster declaration is not required).	Funds can be used 1) to construct waterline extensions, repair breaks or leaks in existing water distribution lines, and address related maintenance necessary to replenish the water supply, and 2) to construct a water source, intake, or treatment facility.  The area to be served must have a median household income less than the state's median household income for nonmetropolitan areas.	Most state and local governmental entities, nonprofits, federally recognized tribes	Unclear from website. Website suggests speaking to a program specialist before attempting to fill out any forms or applications	Water transmission line grants up to \$150,000  Water source grants up to \$1,000,000

ID	Funding Program	Program Description	Eligible Projects	Eligible Applicants	Grant Program Criteria Evaluated	Funding Capacity
6	<b>WaterSMART: Water and Energy Efficiency Grants</b>  <b>Funding Agency:</b> Bureau of Reclamation	On-the-ground water management improvement projects, including projects that conserve water and address water supply reliability.	Projects should result in quantifiable water savings, implement renewable energy components, and support broader sustainability benefits.	State, regional, or local authorities, whose members include one or more organizations with water or power delivery authority.	Quantifiable water savings, renewable energy, sustainability benefits, etc.	Up to \$500,000 for projects to be completed within two years; up to \$2 million for projects to be completed within three years; and up to \$5 million for large projects to be completed within three years.  Non-Federal Cost Share: 50% or greater.
7	<b>WaterSMART: Small-Scale Water Efficiency projects</b>  <b>Funding Agency:</b> Bureau of Reclamation	The WaterSMART Small-Scale Water Efficiency Projects Reclamation provides 50/50 cost share funding to irrigation and water districts, tribes, states and other entities with water or power delivery authority for small water efficiency improvements that have been identified through previous planning efforts. Projects eligible for funding include installation of flow measurement or automation in a specific part of a water delivery system, lining of a section of a canal to address seepage, or other similar projects that are limited in scope.	Canal lining/piping, municipal metering, Irrigation flow measurement, supervisory control and data acquisition (SCADA), landscape Irrigation measures, high-efficiency indoor appliances and fixtures, upgrades to commercial cooling systems to improve water-use efficiency  Other projects that are like those tasks listed above may be submitted for consideration and will be allowed to the extent that they are consistent with program authorization and goals.	State, regional, or local authorities, whose members include one or more organizations with water or power delivery authority.	Project benefits, planning efforts supporting the project, project implementation, nexus to reclamation, Presidential and Department of the Interior priorities	In 2022, applicants were eligible for up to \$100,000 for 2-year projects, with maximum total project costs of \$225,000.  50% non-Federal cost share

### Appendix B. Flood Plain Maps

#### FEMA, FIRM IONE, OR



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- AE, FLOODWAY
- FEMA Floodways
- X, 0.2 PCT ANNUAL CHANCE FLOOD HAZARD
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- City Limits

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Morrow County Planning Department

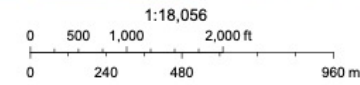


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-  A, X, AREA OF MINIMAL FLOOD HAZARD
-  AE,
-  City Limits



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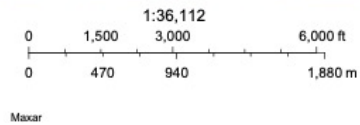
Web AppBuilder for ArcGIS  
Morrow County Planning Department

### FEMA, FIRM HEPPNER, OR



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- Taxlots
- AE, FLOODWAY
- FEMA Floodways
- A, X, 0.2 PCT ANNUAL CHANCE FLOOD HAZARD
- AE, X, AREA OF MINIMAL FLOOD HAZARD
- City Limits



Web AppBuilder for ArcGIS  
Morrow County Planning Department

Appendix C. Background Report

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# Morrow County Housing Implementation Strategy Background Report

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August 2022

Prepared for: Morrow County and the Cities of Heppner, Lone, and Lexington

Report

## Introduction and Purpose

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The three small Cities of Ione, Lexington, and Heppner have worked collaboratively over the past 20 years to increase housing production in the Willow Creek Valley. Many of the new housing units have been the result of a public-private partnership between the Willow Creek Valley Economic Development Group (WCVEDG) and the Ione Community Agri-Business Organization (ICABO). While that formula has produced some new housing, the lack of infrastructure along with a lack of developer capacity in the area has caused housing development to stall.

The purpose of this Background Report is to summarize information on the housing market, proposed infrastructure, and amenity projects in each of the communities, and to identify a set of possible interventions, including policy changes and funding tools, that can help to move these projects forward. This will include interviews with stakeholder groups including community and advocacy organizations and housing developers.

The next step will be to write an Implementation Strategy that will help the cities address the needs and gaps identified in this report.

This Background Report has the following sections:

- **Housing Market Context for Ione.** This section outlines factors in the housing market that drive the need for a well-honed strategy.
- **Housing Market Context for Heppner.** This section outlines factors in the housing market that drive the need for a well-honed strategy.
- **Housing Market Context for Lexington.** This section outlines factors in the housing market that drive the need for a well-honed strategy.
- **Implications and Next Steps.** This section outlines barriers that the cities face and implications that will guide the Implementation Strategy moving forward.

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The overall goal of the project is to prepare a Housing Implementation Strategy focused on two of the strategies identified in the 2019 Morrow Housing Strategies Report:

Land Supply Strategy 1: Evaluate and Address Infrastructure Issues in the cities of Ione, Lexington, and Heppner.

Code Strategy 2: Enhance Local Amenities and Services. Garner local input on city amenities that residents desire to enhance livability in each town.

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# Housing Market Context - Ione

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## Housing Market Summary<sup>9</sup>

The City of Ione had a total population of 337 as of 2020.<sup>10</sup> Relative to Morrow County and Oregon, the City of Ione has a larger portion of older residents and a lower median family income. Just over 20% of residents in Ione were over 65 years old as of 2017, which is a higher share than either Morrow County or Oregon. From 2010 to 2018, median household income in Ione shrank from \$56,250 to \$51,786—a decrease of 8%.

The majority of residents in Ione own their homes. The Housing Needs Analysis (HNA) found that among homeowners, there was an estimated surplus of 17 houses. In contrast, the HNA found a shortage of 8 units among renters, with 31 units supplied compared to an estimated 39 units needed. However, conversations with the City suggest that there is a shortage of homes available for both ownership and renting.

From 2000 to 2018, the population of Ione grew at a modest rate of 2% from 329 people to 338. Between now and 2039, the population of Ione is expected to grow slightly, by 0.11%. By 2039, housing demand in Ione is expected to reach a total of 155 units, with the majority of new housing being single-family detached housing.

## Past Efforts and Barriers

The City of Ione residents and businesses use individual, privately owned septic tanks and drainfields to treat and dispose of wastewater on each developed lot in the city. According to the City's one stop application, *"The original Ione town site was platted with small, narrow lots that, in most cases, do not provide sufficient area for conventional wastewater drain field placement or the required additional area for future drain field replacement. This has become a hindrance to growth and development of vacant properties."*

The City has been working since the mid-2010s to develop an investment plan for a potential wastewater system. The recently submitted Wastewater Feasibility Study Amendment (under Oregon Department of Environmental Quality review) has a viable alternative the City is eager to pursue.

The City of Ione faces a shortage of housing and space for recreational vehicles. This new wastewater system would dramatically help this community that is currently solely on septic tanks.

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<sup>9</sup> Data are summarized from the 2019 Morrow County Housing Strategies Report unless otherwise noted.

<sup>10</sup> Population estimates from the Population Resource Center at Portland State University

## Proposed Infrastructure and Amenity Projects - Cost and Potential Funding Sources

Key projects identified by the community include a community wastewater system and road paving projects on key corridors. Ione's water system is in good shape and does not need improvements.

### Community Wastewater System

The proposed project includes a new community wastewater collection, treatment, and disposal system. If the proposed project is constructed, the City will no longer need to rely on existing individual drainfields to collect and dispose of the City's wastewater.

In August 2021, Anderson Perry (a civil engineering firm) completed a feasibility study for the wastewater system that evaluated two alternatives: a drain field (up Johnson Grade) and evaporative lagoons. The recommended community wastewater system project is a gray water from individual septic tanks flowing up Johnson Grade to a drainfield. The project would provide 176 connections (not including Emert Addition) for residents (single-family and RV park residents), businesses, city properties, and the school. It would allow for 166 residential connections, with a total of 10 other connections.<sup>11</sup> Since the project would be located above shallow groundwater, Ione's project would include small diameter mainlines and no manholes.

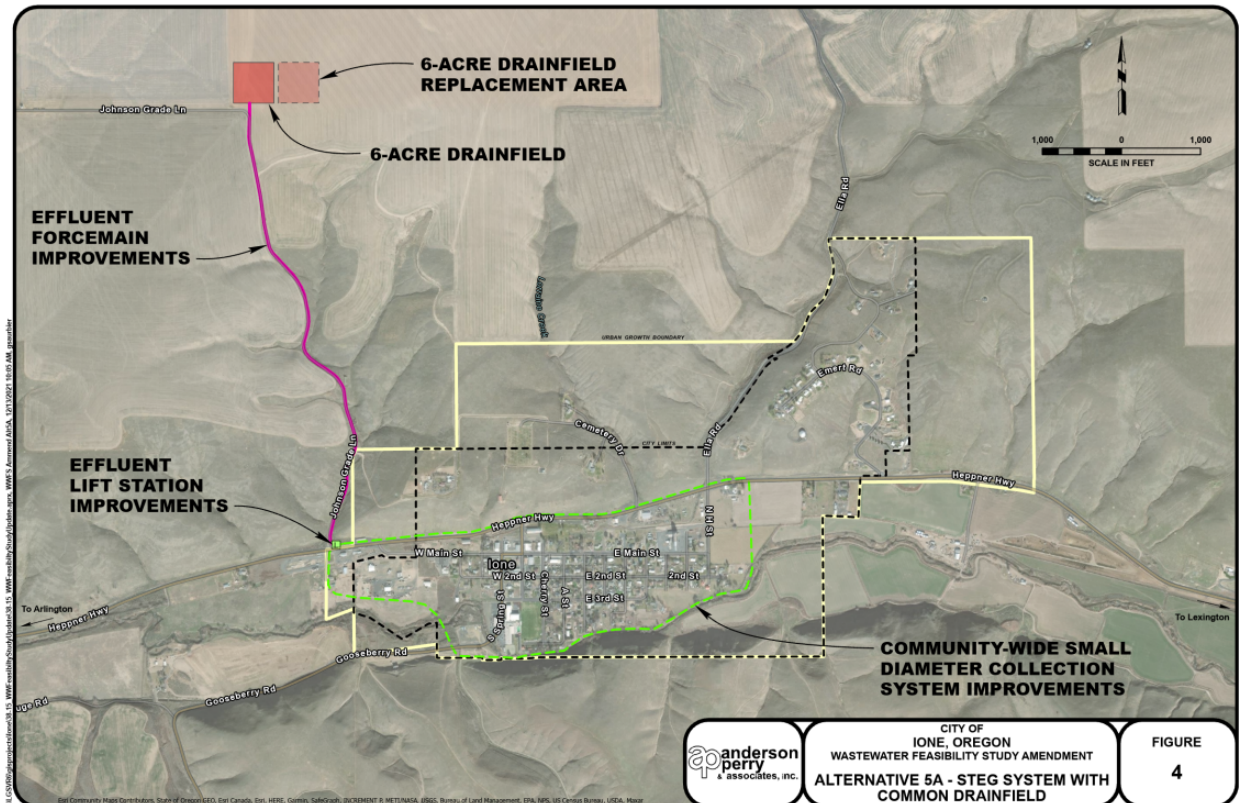
The total cost of the project is estimated to be **\$5.5 to 5.7 million, including contingency**. These costs will continue to rise the longer it takes to implement the project.

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<sup>11</sup> Ione Wastewater Improvements One Stop Meeting Presentation, April 8, 2022.

### Exhibit 3. Ione Community Wastewater System

Source: Anderson Perry



### Funding

In April 2022, the City met with representatives from several funding agencies at the One Stop Funding Meeting hosted by Business Oregon. The most viable funding alternative was a USDA grant of \$2.5 million coupled with a loan. Monthly user fees under this scenario would be \$43, which is within the City's affordability threshold.

The City of Ione has preliminary local grant commitments consisting of:

- **The Ione Community Charter School** (Potential for up to \$800,000; not guaranteed)
- **Ione Community Agri-Business Organization (ICABO)** \$100,000 committed to date
- **City American Rescue Plan Funds.** The City is receiving \$200,000 in one-time payments in 2022 and an additional payment of \$64,000 in either 2022 or 2023.
- **Columbia River Enterprise Zone (CREZ).** The City is expecting to receive \$200,000 per year from 2022 through 2031, but it is not guaranteed
- **Amazon payment.** The City received \$200,000 in 2022.

There remains a gap of up to \$2 million which the City is hoping to bridge through additional local grant commitments.

## Next Steps

- Obtain funding for the proposed Wastewater System Improvements Project
- Finalize 2021 amendment to the 2014 Wastewater Feasibility Study<sup>12</sup>
- Obtain approval from DEQ for system design (expected before the end of 2022)
- Design System Improvements
- Construct System Improvements

## Transportation Infrastructure Improvements

The City has identified two road enhancement projects that would contribute to the livability of the community. The City has received an ODOT Small City allotment of \$250,000 to pay for these improvements. The City may need additional grants, depending on the project scope.

- **Roadwork on Main Street.** The City of Ione is pursuing funding to pay for paving and pothole repair on 2<sup>nd</sup> Street.
- **Emert Road Improvements.** The City of Ione would like to improve Emert Road, which serves the Emert Addition. This road is partially paved but is prone to periodic washboarding. The County is responsible for grading the road.

## Housing Development

**Willow Creek Valley Economic Development Group Housing Developments.** The group has agreed to build another duplex in Ione but is waiting on a contractor. The contractor they used previously is out four years in projects. They have approved funding, but it is hard to switch to a new contractor.<sup>13</sup>

## Water System Resiliency Improvements

In addition to the community wastewater system described above, the City of Ione is interested in making improvements to its water system. The City of Ione has two wells and only one pump, which may need to be repaired or replaced. The City of Ione is interested in adding a second water pump to its system. In a conversation with Regional Solutions on August 1, 2022, ECONorthwest learned that the City of Ione can apply for Business Oregon grants to conduct water system planning to better outline the costs for the secondary pump and other drinking water infrastructure needs.

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<sup>12</sup> City of Ione, Oregon Wastewater System Improvements One-Stop. April 8<sup>th</sup>, 2022

<sup>13</sup> Interview with Kim Cutsforth, Willow Creek Valley Economic Development Group, April 2022.



# Housing Market Context - Heppner

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## Housing Market Summary<sup>14</sup>

The City of Heppner had a total population of 1,295 as of 2020.<sup>15</sup> Heppner has a larger share of older residents and a lower median family income relative to Morrow County and Oregon. About one-fifth of residents in Heppner were over the age of 65 in 2017. Between 2010 and 2018, the median household income in Heppner increased 52% from \$32,833 to \$50,000, but as of 2018 was still lower than that of Morrow County or Oregon.

Most residents in Heppner own their homes. The Housing Needs Analysis (HNA) identified a surplus of homes available for ownership (27 units) and a deficit of homes available for rent (4 units). However, conversations with the City indicate that there are fewer homes available for ownership than found in the HNA. There are limited homes available for higher-income households.

From 2000 to 2018, the City of Heppner experienced a 7% decrease in its population, from 1,411 residents in 2000 to 1,310 in 2018. Between now and 2039, the population of Heppner is expected to grow at a modest rate of 0.12%. Between 2018 and 2039, Heppner is anticipated to need a total of 27 new housing units to meet rental demand, half of which will be single-family detached with the rest a mix of multifamily and mobile homes.

## Past Efforts and Barriers

The City of Heppner has aging water and wastewater infrastructure, which needs improvements to address deficiencies, build capacity, and add redundancy. The City is working on addressing the water and sewer service issues on a 22-acre parcel owned by the Willow Creek Valley Economic Development Group (WCVEDG) to prepare for the development of approximately 15 new homes. The City needs to drill a well that would serve the 22-acre site while also adding redundancy to the City's overall water system. However, while the 22-acre parcel is important for new housing development, the City's infrastructure needs extend beyond this parcel and any improvements need to be considered within the context of the whole City.

Land use rules and regulations as well as land constraints are also hindering development in Heppner. As described in the Morrow County Housing Strategies Report (2019), *"Nearly all of the land area in the City's R3 zone, the only residential zone that allows for multi-family housing outright, is classified as Difficult to Serve. Thus, 84% of the estimated citywide housing unit capacity is*

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<sup>14</sup> Data are summarized from the 2019 Morrow County Housing Strategies Report unless otherwise noted.

<sup>15</sup> Population estimates from the Population Resource Center at Portland State University.

located on *Difficult to Serve parcels*.” Heppner needs to revisit its Comprehensive Plan and zoning ordinances to remove barriers to the development of a variety of housing types.

As identified in the Morrow County Housing Strategies Report (2019), Heppner lacks housing for households earning over \$50,000 annually. Enhancing local amenities could help drive demand and encourage developers to invest in new housing projects that target higher-income households. The City of Heppner has been actively improving its amenities. Fiber optic internet is now available throughout the city. The City and Park District, which is a stand-alone entity, have been maintaining parks (of which Heppner has an ample supply due to the Flood Zone) and other desired recreational amenities.<sup>16</sup> The City recently put in sidewalks from one side of the City to the other, including a walking bridge. The Howard and Beth Bryant Foundation has also been instrumental in meeting community needs by funding a fitness center, mini-golf course, community center, weight room, and batting cage, among other improvements.

Other barriers to housing development include a lack of developers and builders in the area. Many builders are backed up for multiple years. Heppner, like other cities in Morrow County, has limited staff capacity to facilitate planning processes and pursue funding opportunities, which can further complicate and expand timelines.

## Proposed Infrastructure and Amenity Projects - Cost and Potential Funding Sources

Key projects identified by the City include updating the community’s water and wastewater systems and updating City codes and ordinances.

### Community Water System

Working with Anderson Perry & Associates (a civil engineering firm) the City is putting together a Water System Master Plan (WSMP). The WSMP will evaluate the City’s entire municipal water system, including supply, storage, and distribution systems. This plan is expected to be completed in March 2023 (with a draft in January 2023).<sup>17</sup> It will include total estimated project costs and potential funding sources the City can pursue to fund selected improvements.

One early project the City identified is the need to construct an additional well. This well would resolve capacity issues and build redundancy into the water system as well as serve a new residential district. The City is working to build the telemetry system this year.

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<sup>16</sup> Community residents have expressed a desire for a trail that connects Heppner with neighboring cities, however, land needed to make those connections is under private ownership. Interviews with local stakeholders suggest this is unlikely to change.

<sup>17</sup> Business Oregon General Application for the City of Heppner’s Waster System Master Plan

## Funding

Anderson Perry submitted a grant application for \$20,000 on behalf of the City of Heppner to fund the planning work, which is expected to cost \$65,000. The City is paying the remaining \$45,000.

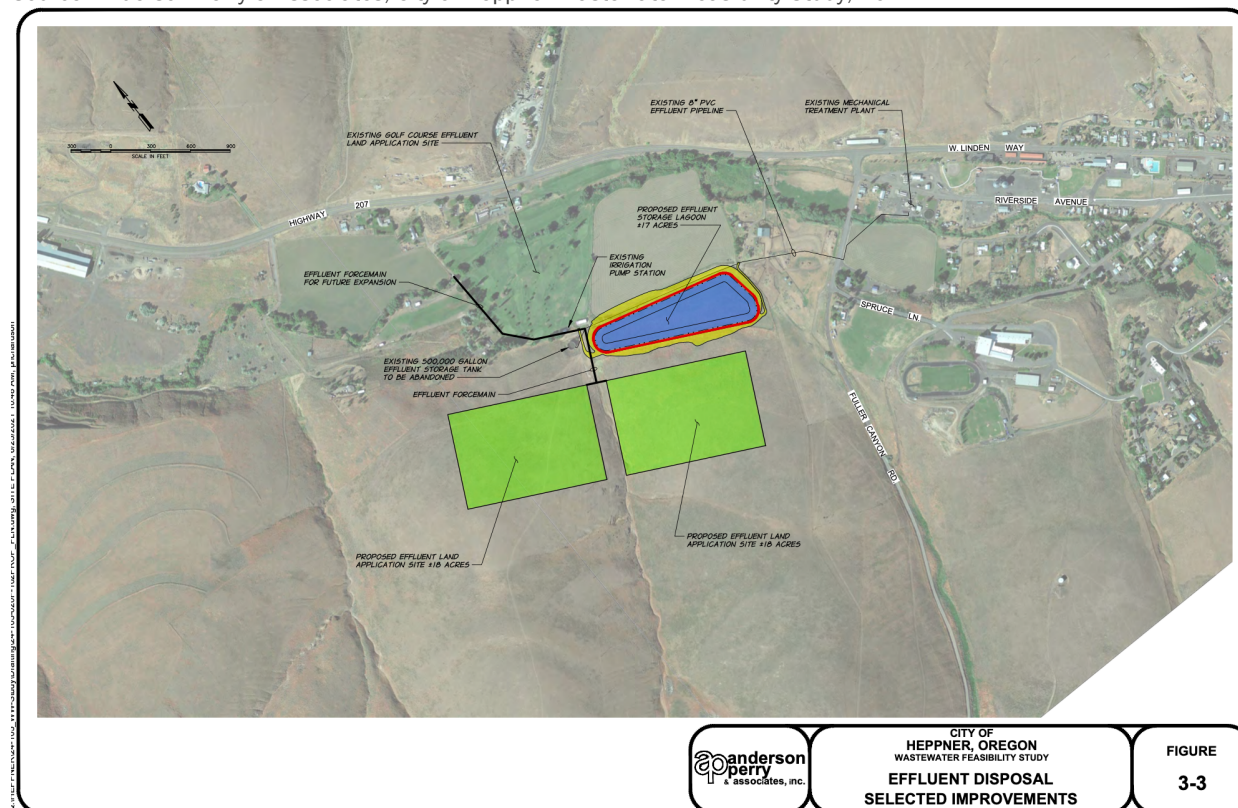
The City, in collaboration with Morrow County, applied for an Economic Development Administration (EDA) grant and a separate construction grant to support the final design and construction of the water system. The City has upward of \$750,000 in the General Fund if needed as well. A One Stop meeting is expected to take place early next year. At that point, the City will have a better understanding of any funding gaps. However, the City expects to need additional funding sources and is interested in identifying grants and loans that that will help them build resilience into their water system.

## Community Wastewater System

The City is working on improvements to its wastewater treatment and disposal systems. In 2021, Anderson Perry & Associates completed the Wastewater Feasibility Study for the City, which evaluated improvement alternatives and developed design criteria. The study also included a financial plan and project implementation plan. Based on Anderson Perry's analysis, the City chose to pursue improvements to the existing mechanical wastewater treatment facility and construct a new effluent storage lagoon with additional land application irrigation systems (Exhibit 4). As noted in the Study, these improvements are expected to provide a system that can treat wastewater to acceptable levels and provide increased capacity for disposal of treated effluent for a 20-year planning period.

#### Exhibit 4. Heppner Effluent Disposal Selected Improvements

Source: Anderson Perry & Associates, City of Heppner Wastewater Feasibility Study, 2021



The total cost of the project is estimated to be **about \$6 million (Exhibit 5), including contingency and land acquisition** (The City identified a need to secure approximately 15 acres for the wastewater infrastructure, which will likely cost between \$100,000 and \$200,000). These costs will rise the longer it takes to implement the project.

#### Exhibit 5. Summary of Estimated Costs for Wastewater Systems Improvements

Source: Anderson Perry & Associates, City of Heppner Wastewater Feasibility Study, 2021

Note: As funding applications are developed, the cost should be projected to the year of anticipated construction to account for inflation.

Improvement	Costs
Mechanical Treatment Plan Improvements	\$1,449,000
Wastewater Effluent Storage and Disposal	\$2,222,000
Construction Contingency (20 percent)	\$734,000
Other Project Costs (Engineering, Environmental, Land Acquisition, etc.)	\$1,219,000
<b>Total Estimated Project Cost (Year 2021)</b>	<b>\$5,624,000</b>
<b>Total Estimated Project Cost (Year 2022)</b>	<b>\$5,976,000</b>

## Funding

As indicated by the City, the design work for system improvements has been funded. However, the City still needs to identify funding sources for the construction of wastewater system improvements. The Wastewater Feasibility Study detailed potential funding sources the City could pursue, of which Business Oregon's Water/Wastewater program, the DEQ's Clean Water State Revolving Fund Loan Program, and a Rural Development bond appeared to be the most promising. These options will be discussed with funding agencies at a One Stop meeting, which will take place in late 2022 or early 2023. The City recently completed its income survey and found it does not qualify for Community Development Block Grant (CDBG) funding.

## Debt Capacity

As described in the Wastewater Feasibility Study, if the entire wastewater project was funded through a loan, the utility rate could jump from \$34.84 per connection per month to approximately \$68 per month or more depending on the loan. Estimated loan capacities are based on the current estimate of 733 connections and annual operation and maintenance expenditures that increase 5% each year.

## Updating Ordinances and Codes

The City has limited available, unconstrained land zoned for residential development. To encourage more housing development, the City is working on updating ordinances and codes. The City adopted Goal 10 last year and is working on updating it in the Comprehensive Plan as a next step. The City is interested in reviewing flood control ordinances, although the City needs to try to reduce the number of pages incorporated due to costs. The City also intends to review ordinances for the Downtown District and other areas that are not well defined for building and construction. This planning review will be funded with a \$1,000 DLCD planning assistance grant. The City will contribute any other needed funding to complete the review.

## Transportation Infrastructure Improvements

The City has been actively working on updating and maintaining its road network. The City received over \$3 million in the past couple of years and should get another couple of million in the next couple of years to continue this work.

## Other Amenities

While the City has been active in improving and expanding amenities, there may be an opportunity for the City to expand restaurant offerings in the area. Initial discussions indicate there might be an opportunity for coffee shops and/or fast-food restaurants.

## Additional Funding and Timing Considerations

While the City has been building up a financial reserve, it does not have enough to cover the full cost of infrastructure improvements and will need to compile funding from a variety of sources, including local government sources (General Fund), raising utility rates, and state and federal loans and grants.

Understanding funding revenues and what they support will be critical to meeting Heppner's infrastructure needs. Some sources can only be used for specific purposes but will need to be considered within the greater context of the whole City improvements. For instance, the City received a grant from the state for approximately \$2 million for street improvements for 2022, which will be done in coordination with water and wastewater work.

### Funding Sources that Could Support Projects

While the City will have One Stop meetings to identify funding for the water and wastewater projects, the City has already secured or is interested in pursuing funding from the following sources that could support projects.

- **State of Oregon.** The City received \$500,000 for economic benefit – spending requirements unclear at this point
- **Morrow County**
  - *Columbia River Enterprise Zone (CREZ).* The City is expecting to receive \$200,000 per year from 2022 through 2031, but this is not guaranteed. This is likely to be split equally between water, wastewater, and streets.
  - *Amazon payment.* The City is receiving \$200,000 in 2022.
- **City ARPA funds.** \$280,000 in two installments
  - **2022:** \$140,000 – received approximately \$65,000 for water and sewer projects
  - **2023:** \$140,000 – not allocated, flexible in how it can be spent
- **ODOT Small City Allotment Program.** Pursuing \$250,000 in 2022 and 2023 to upgrade streets (for paving around the hospital, deteriorating road)

### Next Steps for Water and Wastewater System Improvements

- Finish Water System Master Plan (WSMP)
- Hold a One Stop meeting for wastewater system improvements
- Hold a One Stop meeting for water system improvements

# Housing Market Context - Lexington

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## Housing Market Summary<sup>18</sup>

The City of Lexington had a total population of 265 as of 2020.<sup>19</sup> Lexington has a larger share of older residents and a lower median family income relative to Morrow County and Oregon. The City has fewer families with children than the County and an average household size of 3.3 persons. About one-fifth of residents in Lexington were over the age of 65 in 2017. The estimated median household income in Lexington was \$29,400 in 2018 compared to Morrow County's \$54,400.

Most residents in Lexington own their homes. The Housing Needs Analysis found that the City has a surplus of homes available for ownership (18 units) and a deficit of homes available for rent (17 units). There are limited homes available for higher-income households.

The City of Lexington experienced a 10% decrease in its population from 263 residents in 2000 to 238 in 2010 before increasing again to 265 in 2018. Between 2018 and 2039, the population of Lexington is expected to decrease at an annual rate of 0.66%. Between 2018 and 2039, Lexington is anticipated to need a total of 17 new housing units to meet rental demand, which is expected to be a mix of single-family detached and mobile homes.

## Past Efforts and Barriers

The City of Lexington's current water system is unable to keep up with demand. In recent years, the City has had to put water restrictions in place to preserve its supply, which is particularly constrained in the summer months. The City also has limited options for treating wastewater. Residents and businesses use individual, privately owned septic tanks and drainfields to treat and dispose of wastewater on each developed lot in the city. This limits the density of development, making it generally only suitable for single-family detached housing. Addressing water system deficiencies is a priority for the City and is necessary before making changes to wastewater management.

In the past, the City has had limited success seeking funding and support for wastewater treatment facilities given the small population, limited land for development (most of the capacity for residential units is on parcels classified as "difficult to serve," which makes extending infrastructure to these sites costly and difficult), and future population growth projections. Instead of developing a municipal wastewater treatment system, the Morrow County Housing Strategies Report (2019) identified the following recommendations while recognizing that these approaches may be cost prohibitive at the scale likely for Lexington:

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<sup>18</sup> Data are summarized from the 2019 Morrow County Housing Strategies Report unless otherwise noted.

<sup>19</sup> Population estimates from the Population Resource Center at Portland State University.

- Investigate the feasibility of using package wastewater treatment systems or the on-site collection and off-site treatment of wastewater. The Oregon Department of Environmental Quality and Multnomah County sanitarian would be a good resource for information about these techniques.
- Identify larger parcels that have adequate space for a common septic field that could treat wastewater from multiple units. Housing units could be clustered and potentially built more economically as attached housing on such sites, with a common drainfield located in open areas on the site. Cottage cluster development is one example of this type of development.

Like the rest of the County, Lexington may also have opportunities to enhance local amenities and services to both improve the quality of life for current residents as well as attract additional residents to the city. The City identified a need for parks and recreational amenities as well as sidewalks.

Other barriers to housing development include a lack of developers and builders in the area. Many builders are backed up for multiple years. Lexington, like other cities in the county, has limited staff capacity to facilitate planning processes and pursue funding opportunities, which can further complicate and expand timelines.

## Proposed Infrastructure Projects: Community Wastewater System and Water System

Key projects identified by the City include updating the community's water system and evaluating options for wastewater treatment. The City also identified opportunities to improve roadway facilities and add recreational amenities.

### Community Water System

Working with Anderson Perry & Associates (a civil engineering firm), the City is putting together a Water System Study which will evaluate the municipal water system piping and new water supply well options. This plan is expected to be completed in February 2023 (with a draft in December 2022).<sup>20</sup> It will include total estimated project costs and potential funding sources the City can pursue to fund needed improvements. The first work session was held in March 2022.

### Funding

Anderson Perry submitted a grant application with Business Oregon for \$20,000 on behalf of the City of Lexington to fund this planning work which is expected to cost \$40,000. The City is paying the remaining \$20,000.

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<sup>20</sup> Business Oregon General Application for Lexington's Waster System Study



On July 1, 2022, the City raised the rate for 10,000 gallons of water from \$48 to \$49 for basic services. Initial discussions with Anderson Perry indicate that the City will not need to conduct an income study to pursue affordability restricted funding, as the City already meets or exceeds the affordability rate.

A One Stop meeting to identify funding options is expected to take place in early 2023 after the completion of the study.

## Wastewater System

Working with Anderson Perry & Associates, the City of Lexington is putting together a Wastewater System Feasibility Study which will evaluate options for a communitywide municipal wastewater system. The most serious issue at this point is that the City needs a septic tank drain field. This plan is expected to be completed in February 2023 (with a draft in December 2022).<sup>21</sup> It will include total estimated project costs and potential funding sources the City can pursue to fund needed improvements. The first work session with Anderson Perry was held on May 10, 2022.

## Funding

Anderson Perry submitted a grant application with Business Oregon for \$20,000 on behalf of the City of Lexington to fund this planning work, which is expected to cost \$40,000. The City is paying the remaining \$20,000. A One Stop meeting to identify funding options is expected to take place in early 2023 after the completion of the study.

## Transportation Infrastructure Improvements

The City is pursuing a Transportation and Growth Management grant through the Oregon Department of Land Conservation and Development, which could be used to update their Transportation System Plan or create a Downtown Plan. As of April 2022, the City was still waiting for award allocations. Most of the City's streets are paved due to receiving the Small City Allotment Grant from the Oregon Department of Transportation, but the City still has several streets that need to be resurfaced or upgraded from gravel to pavement.

## Other Amenities

The City currently has two small parks off Highway 74. Neither of these parks is large enough for a playground. The City has expressed interest in adding a larger park that can support a playground. The City also wants to fence in the parks to improve safety, as well as add amenities such as picnic tables and benches.

Residents have also expressed a desire to build a sidewalk down one side of Main Street to the highway, which would improve safety for pedestrians. This would be a part of the Downtown Improvement Plan project area, which could include sidewalks on both sides of the downtown area.

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<sup>21</sup> Business Oregon General Application for Lexington's Wastewater System Study

## Additional Funding and Timing Considerations

The City does not have a large enough financial reserve built up to cover infrastructure improvements and will need to compile funding from a variety of sources, including local government sources, raising utility rates, and state and federal loans and grants.

### Additional funding sources that could support projects

While the City will have One Stop meetings to identify funding for the water and wastewater projects, the City has already secured or is interested in pursuing funding from the following sources to support projects.

- **Morrow County (secured)**
  - *Columbia River Enterprise Zone (CREZ)*. The City is expecting to receive \$200,000 per year from 2022 through 2031, but this money is not guaranteed
  - *Amazon payment*. The City is receiving \$200,000 in 2022.
- **City ARPA funds (secured)**. \$26,000
- **ChangeX (Amazon micro grants)**. Awarded \$5,000 for technology improvements to the town hall.
- **Small City Allocation Grant (ODOT)**. Pursuing \$250,000 for road improvements
- **TGM grant**. Pursuing \$175,000 for Downtown Improvement Plan

### Next Steps for Water System Improvements

- Finish water system and wastewater system feasibility studies
- Hold One Stop meetings for water and wastewater system improvements

## Implications and Next Steps

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With Anderson Perry's support, the Cities of Ione, Heppner, and Lexington are well equipped to address their water and wastewater deficiencies and identify funding packages to support these projects. However, water and wastewater infrastructure improvements alone will not guarantee additional housing development. Cities across Oregon are having difficulties attracting housing development, especially development that would be suited to low- and middle-income families. Findings from initial conversations with stakeholders indicate that the biggest barriers to housing development in the area include a lack of developer capacity, along with a lack of capacity to advocate for and pursue additional funding for infrastructure and amenities.

Over the summer of 2022, ECONorthwest will draft an implementation plan to address the needs and gaps identified in this background report. Based on our research to date, we have identified the following implications that will guide our work on the implementation plan moving forward.

### The three communities could collaborate to attract investment in amenities and infrastructure and build professional services capacity across the whole Valley.

The cities have barriers when it comes to planning, both in staff capacity and expertise and in grant writing. The cities may benefit from a regional planner, shared between the three cities, potentially housed in the County. The cities might consider using some of the funds identified during this process to support regional planning and grant writing capacity.

#### Next steps for developing the implementation plan

- **Explore ways to support city planning.** The cities identified infrastructure and amenity projects beyond water and wastewater that need the expertise of a planner to pursue them. As a next step, ECONorthwest will explore how other cities have overcome planning capacity constraints through best practices research and interviews with regional partners. The implementation plan could detail how a regional planner might be shared between the three cities and how they might be funded.
  - *Potential interviews/small group discussion:* Courtney Crowell, Regional Solutions Coordinator; Susan Anderson, Enterprise Community Partners (Susan is a national expert in rural housing development that ECONorthwest has worked with on past projects and can provide best practices ideas from around the country)
  - For City of Ione, include the City's plan to request an amendment or revision to a flood map in an effort to change the city's floodplain designation.<sup>22</sup>
- **Explore ways to improve grant writing capacity.** Funding desired projects remains a continuous challenge for the cities. Many staff are at capacity with their current

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<sup>22</sup> <https://www.fema.gov/flood-maps/change-your-flood-zone>

workloads and have little or no time to pursue additional funding. There may be an opportunity to boost grant writing capacity across the three cities by pursuing either on-call grant writing services or hiring permanent staff members to pursue grants. The cities could join with the County and share capacity or could pursue these options individually. ECONorthwest will discuss options and best practices during interviews or small group discussions with regional partners. The implementation plan will detail how grant writing capacity could be improved across the three cities.

- *Potential interviews:* same for Planning
- **Advocate for filling infrastructure and amenity project funding gaps.** In the implementation plan, we will provide a high-level characterization of the expected capital funding gap and potential funding sources for Ione's wastewater infrastructure improvements, but other communities have not yet completed their planning and one stop meeting. Thus, our overall findings may be higher level and include next steps like the following:
  - **Coordinate with Morrow County** to determine how the cities can best communicate funding gaps for priority projects
  - **Present to the CREZ Board.** The CREZ board may be able to provide valuable feedback on this background report. Over the next 5 years, CREZ is set to receive significant funds that could help support city needs. The County/cities may want to consider convening the CREZ board to discuss the barriers identified through the implementation plan process.
  - **Explore the Port's role in infrastructure for the cities.** There may be value in discussing city infrastructure needs with the Port. The Port is important at least for Heppner because they own the old Mill Site. Discussions with the Port would help establish what role, if any, the Port could play in helping with infrastructure.
    - *Potential interview:* Mark Patton, Port COO
  - **Identify potential funding and financing tools for infrastructure and amenities that the cities are interested in pursuing.** This could include exploring ways to raise additional funds such as using the TIF funding approach (e.g., Housing Incentive District). It may also include exploring targeted grant funding from sources such as ODOT, RDI, EDA, private foundations, OWRD Water Feasibility Grant, etc.
    - *Potential Interviews:* Ken Patterson, ODOT representative, City of Madras (regarding [Housing Incentive District](#)), Julie Keniry (REV Program), Melissa Drugge (Business Oregon)

### Identify innovative ways to produce housing in rural areas

All three cities face barriers when it comes to attracting development. Market-rate developers have little incentive to invest in the area due to limited opportunities for profitability. Not-for-profit organizations face barriers to accessing contractors. Some contractors that have previously worked in the cities are backed up for multiple years. Financing also remains a

barrier for both market-rate and not-for-profit developers. The cities may benefit from exploring how other rural cities have attracted developers and implementing ideas in a coordinated effort across the region.

#### Next steps for developing the implementation plan

- **Explore how other communities have been able to attract development.** The three cities, like many rural areas, struggle to attract development. ECONorthwest will explore how other communities have dealt with development barriers such as limited contractor capacity and limited opportunities for profitable market-rate development. Are there ways cities have gotten around these issues? How have developers in other cities overcome financing constraints? The implementation plan will include steps to address these barriers.
  - *Potential interviews:* WCVEDG – discuss an approach for not-for-profit development; Susan Anderson, Enterprise Community Partners; Julie Keniry, Rural Engagement and Vitality Center
- **Link housing planning with economic development planning.** There may be an opportunity for the cities to tie tourism and placemaking opportunities with housing development, enhancing opportunities for alternative funding options. The implementation plan could include next steps such as:
  - Explore grants, like the USDA Placemaking Grant, and attend the Placemaking in Small and Rural Communities Online Conference, which is an opportunity for the cities to learn about placemaking and future funding sources.

**Consider WCVEDG’s role.** The Willow Creek Valley Economic Development Group has previously funded projects across the region. The implementation plan could consider what WCVEDG’s continued role in the communities will be, both in direct development and funding support.<sup>23</sup> WCVEDG has recently focused on the following:

- *Business Enhancement Grants* for any business in WCVEDG territory. Can spend up to \$25,000 over the life of a business
- *Housing Rehabilitation Fund* - up to \$20,000; capital improvements only
- *Demolition Grant* - \$5,000 to \$10,000 for tearing down a building; either sell or develop in a year

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<sup>23</sup> Interview with Kim Cutsforth, Willow Creek Valley Economic Development Group, May 5<sup>th</sup>, 2022.