HOLLY LANE/NEWELL CREEK CANYON URBAN RESERVE AREA

<table>
<thead>
<tr>
<th>Total Acres</th>
<th>696</th>
<th>Parcel Acres</th>
<th>591</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Vacant Buildable Acres</td>
<td>173</td>
<td>Net Vacant Buildable Acres</td>
<td>131</td>
</tr>
</tbody>
</table>

**General Description (see attached map)**

The Holly Lane/Newell Creek Urban Reserve Area is an irregular shaped area on the east side of Oregon City that straddles Highway 213 between S Redland Road and Beavercreek Road. The area is steeply sloped on both sides of the highway and is 696 acres in size. The east side of the area is served by S Holly Lane and the west side is served by Division Street and local roads such as Davis Road, 18th Street and Morton Road. This urban reserve area is unique in that it is almost surrounded by land inside the UGB and shares a 370 yard border with a rural reserve in the northeast corner. The area is a mix of forested parcels on both sides of Highway 213 that are mostly in public ownership and rural residences along S Holly Lane. Newell Creek flows north through the middle of the reserve area, joining Abernethy Creek at the northern edge of the area.

**Parcelization, Building Values, Development Pattern (see attached aerial photo)**

This mid-sized urban reserve area contains 152 parcels that range in size from a tenth of an acre to over 61 acres in size. Seventy-eight percent of the parcels are five acres or less with half of those being less than one acre. Only eight parcels are greater than ten acres. Overall, 98 of the 152 parcels have improvements, with a median value of $133,730, excluding any publicly owned buildings. A significant portion of the area, 203 acres, is open space owned by Metro. In early 2016 Metro approved a plan to provide formal public access to Newell Creek Canyon with a planned opening in late 2018. The remainder of the area is composed of rural residential development with a few locations of very small scale agricultural activity and one 61 acre parcel of forested land. Three power lines cross through the southern portion of the urban reserve.

**GOAL 14 LOCATIONAL FACTORS**

**Efficient accommodation of identified land needs**

One-third of the land area of the reserve is in public ownership and off limits for urban development. In essence the entire area is covered by slopes greater than 10% except for portions of some parcels that front onto S Holy Lane, essentially removing employment possibilities. Slopes greater than 25% also cover large swathes of land east of S Holly Lane and in the vicinity of S Alden Street on the west side of the reserve area, reducing residential development opportunities. Generally development opportunities are limited to the land adjacent to S Holly Lane and some
small pockets near Davis Road/18th Street and S Alden Street. Therefore this area is able to accommodate a residential land need.

**Orderly and economic provision of public facilities and services**

**Sanitary Sewer Services**

**Capacity of existing facilities to serve areas already inside the UGB**

Oregon City’s Infrastructure Master Plan includes planned improvements and funding necessary to support the expected growth within the existing UGB.

**Capacity of existing facilities to serve areas proposed for addition to the UGB**

Additional growth beyond the UGB is going to be a challenge for Oregon City due to the capacity of existing major facilities such as wastewater treatment and conveyance. The area has topographic challenges which seem difficult to overcome and the infrastructure would be an expensive endeavor. Currently the City is not completing necessary infrastructure planning for growth in the urban reserve areas. Development in the reserve area will include major infrastructure changes and costs for improving the existing infrastructure have not been included in the sewer cost estimate due to the unknown nature of actual improvements required.

**Impacts to existing facilities that serve nearby areas already inside the UGB**

There will be significant impacts to existing facilities and other necessary facilities will require major construction in sensitive (landslide prone) areas. Most of this infrastructure would be built by the development community.

**Sanitary Sewer Piping Costs**

<table>
<thead>
<tr>
<th>Sanitary sewer piping costs</th>
<th>Cost (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 12” pipe (gravity)</td>
<td>$0.31</td>
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<tr>
<td>12 – 18” pipe (gravity)</td>
<td>$2.12</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$2.43</strong></td>
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</tbody>
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**Water Distribution Services**

**Capacity of existing facilities to serve areas already inside the UGB**

The City of Oregon City serves lands within their corporate boundary. Oregon City has recently annexed the Beavercreek UGB expansion area to the southwest. While the city is adequately served elsewhere, they do not have the water storage necessary to serve these recently annexed areas. Lands within the jurisdiction of Clackamas County in this vicinity are served by Clackamas River Water (CRW). CRW has adequate capacity to serve both the lands within the UGB and its rural customers. They operate a 30 MGD water treatment plant. Volumes available for their service area are 7.4 MGD on north and around 4 MGD on south for a total availability of approximately 11 MGD.
The treatment plant is 50 years old and a pending facility master plan will determine what types of upgrades will be needed in the future. As noted above, the Beavercreek (previous UGB expansion) area needs a new reservoir to serve its pressure zone. Within five years, CRW expects to have a 2.2 or 2.5 million gallon elevated reservoir in the area. It is unclear however if this, or a future city owned facility will serve the Beavercreek area.

**Capacity of existing facilities to serve areas proposed for addition to the UGB**

CRW is planning for the urban reserve areas and most of the Holly Lane reserve area is in CRW. However they will not likely be the service provider in the future. Oregon City has the general policy that they will serve all of the lands within the UGB. As reserve areas are included in the UGB, the City intends to serve them. Oregon City would therefore annex the areas and subsequently take ownership of any water related infrastructure within the reserve area. There would be an exception for facilities that are needed to go beyond the area in question such as large scale transmission lines. Accordingly CRW, like many service providers must be are cautious about investing in improvements for the rural areas that may become urban. CRW has more than enough water to serve the urban reserve area and is expected to build a new storage reservoir within the next few years. Oregon City has plans to build reservoirs that could serve urban reserves, but no timeline information is available at this time.

**Impacts to existing facilities that serve nearby areas already inside the UGB**

As noted above, there are water networks in place that can serve the reserve area without significant upgrades. There are new storage reservoirs currently planned to serve lands within the existing UGB that are also needed for servicing the Holly Lane reserve area. These reservoirs will be constructed regardless of the status of reserve area.

**Water Costs**

<table>
<thead>
<tr>
<th>Water piping/storage/pumping costs</th>
<th>Cost (in millions)</th>
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</thead>
<tbody>
<tr>
<td>12” and smaller</td>
<td>$4.71</td>
</tr>
<tr>
<td>Storage/pumping</td>
<td>$1.82</td>
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<td><strong>Total</strong></td>
<td><strong>$6.53</strong></td>
</tr>
</tbody>
</table>

**Storm Sewer Services**

**Capacity of existing facilities to serve areas already inside the UGB**

There is no indication of capacity issues with existing stormwater facilities that serve the land inside the UGB.
Capacity of existing facilities to serve areas proposed for addition to the UGB

Stormwater will be conveyed, treated, and disposed of within the reserve area, therefore, it is not anticipated that existing facilities would be utilized. Stormwater will be complex but manageable given this infrastructure would be at the upstream edge of the surrounding basins.

Impacts to existing facilities that serve nearby areas already inside the UGB

Stormwater will be conveyed, treated, and disposed of within the reserve area; therefore, no impacts to existing facilities are anticipated.

Storm sewer conveyance and water quality/detention costs for roadways

<table>
<thead>
<tr>
<th>Conveyance &amp; water quality/detention costs</th>
<th>Cost (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conveyance</td>
<td>$3.25</td>
</tr>
<tr>
<td>Water quality/detention</td>
<td>$3.41</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$6.66</strong></td>
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Transportation Services

Capacity of existing facilities to serve areas already inside the UGB

**Roadway:** Most of the roadways in Oregon City have an acceptable volume/capacity ratio (<0.9) for the 2015 pm peak. Southbound Highway 213, from Holcomb Blvd to Beavercreek Road, has a congested volume/capacity ratio (<1.0) as does most of I-205 in both directions through Oregon City and across the Abernathy Bridge. A short section of southbound Highway 213, between I-205 and Holcomb Blvd has a severely congested volume/capacity ratio (>1.0) as does short portions of I-205 through Oregon City. Highway 213 also has a small severely congested section in both directions between Meyers Road and Glen Oak Road.

Highway 213 south of Beavercreek Road, Molalla Ave from Division Street to Highway 213 and McLoughlin Boulevard through downtown Oregon City are classified as high injury corridors for automobiles. McLoughlin Boulevard through downtown Oregon City is classified as a high injury corridor for pedestrians.

**Transit:** Four TriMet bus lines serve Oregon City all of which focus on the downtown and central portion of the city along Molalla Ave. Service is provided to Clackamas Community College but large portions of the city are not served by transit.

**Bike:** Oregon City has 24 miles of dedicated bike lanes and three miles of established bikeways with most of them located in the “up-top” section of the city. The Park Place neighborhood is also fairly well served and Highway 213 has dedicated bike lanes. Most of the downtown streets are classified as bike with caution streets and the South End neighborhood has minimal bike facilities.
**Pedestrian:** Downtown Oregon City is well served by sidewalks as is Molalla Ave as it extends to the “up-top” portion of the city. There are a number of pockets of older subdivisions that do not have sidewalks with more recent developments well served by sidewalks.

**Capacity of existing facilities to serve areas proposed for addition to the UGB**

**Roadway:** S Holly Lane, the only north-south route in the reserve area that is the main access way has an acceptable volume/capacity ratio (<0.9) for the 2015 pm peak as do the two nearby east-west routes of S Maplelane Road and S Redland Road. Southbound Highway 213, from Holcomb Blvd to Beavercreek Road, has a congested volume/capacity ratio (<1.0) and a short section of southbound Highway 213, between I-205 and Holcomb Blvd has a severely congested volume/capacity ratio (>1.0).

**Transit:** TriMet bus lines 32 and 99 provide service to Clackamas Community College which is over a mile away with the closest stop on route 32 at Highway 213 and Beavercreek Road, just over a half mile away from the reserve area. Route 32 also skirts a corner of the reserve area along Division Street. No other bus line provides service near the reserve.

**Bike:** Highway 213 has dedicated bike lanes however the highway runs through a very steep canyon and a significant portion of the adjacent land is publicly owned by Metro. Near the north end of the reserve area S Redland Road has a dedicated bike lane as does a portion of S Maplelane Road near the south end of the reserve area. S Holly Lane, which connects these two roads, is classified as a bike with caution street. Beavercreek Road also contains a dedicated bike lane which connects to numerous other bike facilities “up-top”.

**Pedestrian:** There are a few nearby subdivision streets that have sidewalks, however none of the streets that serve the reserve area have sidewalks and there are no trails that serve or extend to the reserve area.

**Impacts to existing facilities that serve nearby areas already inside the UGB**

**Roadway:** S Holly Lane, which runs north-south route through the reserve area to land within the UGB has an acceptable volume/capacity ratio (<0.9) for the 2015 pm peak as do the two nearby east-west routes of S Maplelane Road and S Redland Road. These roads would not be impacted beyond the need to improve the roadways to urban standards. Southbound Highway 213, from Holcomb Blvd to Beavercreek Road, has a congested volume/capacity ratio (<1.0) and a short section of southbound Highway 213, between I-205 and Holcomb Blvd has a severely congested volume/capacity ratio (>1.0). Both of these sections of Highway 213 would be impacted in the pm peak timeframe.

**Transit:** TriMet bus line 32 and 99 would not be impacted by urbanization of the reserve area. See transit analysis below.

**Bike:** The nearby bike lanes on S Redland Road, S Maplelane Road and Beavercreek Road could see additional use when a connecting bike lane on S Holly Lane is built. The bike lane on Highway 213 will not be impacted as the routes on S Redland Road and S Maplelane Road would provide a better
alternative for biking to the reserve area. The bike land on S Maplelane Road would need to be extended.

**Pedestrian:** There is no impact to the sidewalks or trails that serve nearby areas inside the UGB. Sidewalk gaps need to be completed on the roadways already inside the UGB to connect with the reserve area.

**Need for new transportation facilities and costs (see attached transportation map)**

S Holly Lane will need to be improved to urban arterial standards.

<table>
<thead>
<tr>
<th>Facility Class</th>
<th>Type</th>
<th>Cost (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arterials</td>
<td>Existing/Improved</td>
<td>$46.07</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$46.07</strong></td>
</tr>
</tbody>
</table>

**Provision of public transit service**

TriMet evaluated the reserve area for providing transit service. TriMet could provide services to the reserve area although there is no guarantee of service. Actual service depends on the level of development in the expansion area and in the corridors leading to the reserve area. Service could be provided at 30 minute headways for all day service, seven days a week, by extending line 79 with one additional bus at a capital cost of $400,000 (recurs every 16 years). Annual service cost is $608,333 and grows 2% per year.

Prior to land being included in the UGB a more detailed concept plan, consistent with the requirements of Metro’s Urban Growth Management Functional Plan Title 11, is required. This concept plan process will develop more refined public facility and service needs and cost estimates.

**Comparative environmental, energy, economic and social consequences (ESEE analysis)**

**Environmental**

Newell Creek flows north through the middle of the reserve area for approximately 1.9 miles, all of which is either on Metro or Oregon Department of Transportation owned land. In addition three tributaries of Newell Creek also flow through Metro owned land for approximately 0.7 miles. Two of these tributaries first flow through undeveloped private land that contains numerous areas of steep slopes for approximately 0.6 miles. Urbanization of the area will not impact these stream corridors due to the steep slopes of the privately owned land and public ownership of the other lands.

A tributary to Abernethy Creek flows north in a ravine along the eastern edge of the area for approximately one-half mile. The stream is about 100 – 200 feet below the main developable portions of the parcels along S Holly Lane and would not be impacted by any future development occurring on the flatter portions of the area. A half-acre wetland identified on the National Wetland
Inventory is located in the southern portion of the area within the power line easement. Limitations for residential development in power line easements will essentially protect the wetland.

There are some significant locations of upland habitat adjacent to both stream corridors and the tributaries. Again, due to the public ownership pattern and slopes greater than 25% that limit the amount of the residential development that can occur, urbanization of the area will have minimal impacts on the identified upland habitat. Overall urbanization of the area could occur with minimal impacts to the stream corridors, wetland and the upland habitat areas due to topography and public ownership.

**Energy, Economic & Social**

In general, there is not a lot of developable land in this urban reserve area. Almost the entire area west of Highway 213 is off limits to development due to Metro’s ownership of park and open space land. In addition, steep slopes and the presence of natural resources limit future urban development to the area along S Holly Lane and a few small locations on the west side near Division Street. It is expected that urbanization of the reserve area will result in new housing replacing the existing rural residences. However any new development that did occur in these small areas would not be substantial and in many locations would be consistent with the existing residential pattern due to topographic limitations. Thus any social impacts related to the loss of the rural lifestyle would be minimal in this reserve area that is essentially surrounded by the UGB. The additional traffic generated through urbanization would be minimal so the overall energy consequences would be small. S Holly Lane would see the most impact as it provides the only connection between S Redland Road and S Maplelane Road and any additional development would increase the amount of traffic that occurs on this north-south connector. Improving S Holly Lane to urban standards would alleviate some of the additional traffic concerns. Existing residents are already near a commercial area and urbanization would provide the opportunity for the development of other modes of transportation besides the automobile that could reduce some local trips, such as the planned Newell Creek Trail and bike lanes consistent with urban roadway standards. The agricultural activity within the reserve area is minimal. The loss of the economic impact from these agricultural uses would not be considerable and the potential economic impact of residential urbanization, even though it is not significant will outweigh this loss. Overall this analysis area has low economic, social and energy consequences from urbanization.

**Compatibility of proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB (see attached resource land map)**

There are no locations where farm or forest land is contiguous to the urban reserve area. Thus, the proposed urban uses have high compatibility with the nearby agricultural and forest activities occurring on farm and forest land.
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