BEFORE THE BOARD OF COMMISSIONERS OF THE STATE OF OREGON

FOR THE COUNTY OF YAMHILL

SITTING FOR THE TRANSACTION OF COUNTY BUSINESS

In the Matter of a Comprehensive Plan Amendment and a Zoning Map Amendment to exchange nearly equal amounts of land zoned EF-80 Exclusive Farm Use and RI Resource Industrial in order to accommodate an existing composting facility on a 17-Acre portion of Tax Lot 5309-2100 (Applicant Water Truck Services) Planning Docket PAZ-02-15, and Declaring an Emergency	)))))))	Ordinance 894

THE BOARD OF COMMISSIONERS OF YAMHILL COUNTY, OREGON (the Board) sat for the transaction of county business on October 22, 2015, Commissioners Mary Starrett and Stan Primozich being present and Commissioner Allen Springer being excused.

IT APPEARING TO THE BOARD that Water Truck Services has requested a plan amendment and zone change for an approximately 17-acre portion of Tax Lot 5309-2100 (14425 SE Wallace Road, Dayton); and

IT APPEARING TO THE BOARD that this matter came before the Planning Commision for public hearing on September 3, 2015 and that the Planning Commission voted 8-0 to recommend approval of the application by the Board of Commissioners; and

IT APPEARING TO THE BOARD that this matter came before the Board on October 15, 2015 for public hearing and that, following the hearing and deliberation, the Board voted 3-0 to approve the application and to continue the matter to this date for adoption of a final written decision and findings in support of approval; NOW, THEREFORE

THE BOARD ORDAINS AS FOLLOWS:

Section 1. The findings and condition attached as Exhibit "A" and incorporated herein by reference are hereby adopted in support of this ordinance.

Section 2. The Comprehensive Plan and Zoning Maps of Yamhill County are hereby amended as specified in the attached Exhibit "B," incorporated herein by this reference, to reflect a plan and zoning designation of ±9.03 acres of EF-80 Exclusive Farm Use, and ±7.97 acres of RI, Resource Industrial, for the approximately 17-acre portion of Tax Lot 5309-2100 identified on the attached Exhibit "B" map. Plan and zone designations of the remainder of Tax Lot 5309-2100 remain unchanged.

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Section 3. This Ordinance being necessary for the health, safety and welfare of the citizens of Yamhill County, and an emergency having been declared to exist, is effective immediately.

DONE this 22nd day of October, 2015, at McMinnville, Oregon.

ATTEST: YAMHILL COUNTY BOARD OF COMMISSIONERS

BRIAN VAN BERGEN
County Clerk

[EXCUSED]
Chair ALLEN SPRINGER

By:
Deputy Lucy Flores Mendez

Vice Chair MARY STARRETT

FORM APPROVED BY:

Commissioner STAN PRIMOZICH

Timothy S. Sadlo
Senior Assistant County Counsel

Exhibit A – Ordinance 894

FINDINGS IN SUPPORT OF APPROVAL

DOCKET NO.: PAZ-02-15

SUMMARY OF APPROVAL: Approval of a comprehensive plan amendment and zone change to exchange nearly equal amounts of land zoned EF-80 Exclusive Farm Use and land zoned RI Resource Industrial. This approval involves 9.03 acres of RI zoned land being planned Agriculture and rezoned to EF-80, and 7.97 acres of EF-80 land being planned Industrial and rezoned to RI. The exchange results in an additional 1.06 acres of Agricultural-Planned and EF-80 zoned property.

APPLICANT/OWNER: Water Truck Services, Inc, represented by Wendie Kellington, Kellington Law Group

TAX LOT: 5309-2100

LOCATION: 14425 SE Wallace Road, Dayton

ZONE: EF-80 Exclusive Farm Use and RI Resource Industrial

CRITERIA: Sections 303, 402, 701, and 1208.02 of the *Yamhill County Zoning Ordinance.* Comprehensive Plan policies may be applicable. OAR 660-04 (Exception process for Goal 3); OAR 660-012-0060 (Transportation Planning Rule).

FINDINGS:

A. Background Facts

1. *Property Size:* 96.24 acres.

2. *Access:* Wallace Road (State Highway 221).

3. *On-site Land Use:* The property contains three large storage buildings along with several smaller accessory structures. The property also contains a foundation of a large building that was the location of a former berry packing plant. The majority of the 96 acres is in farm use. The eastern 60+ acres drops down to the floodplain of Lambert Slough and contains riparian vegetation and an open field. Approximately 35 acres of the upper field is planned and zoned RI, Resource Industrial. The remainder of the land is planned and zoned EF-80, Exclusive Farm Use.

4. *Surrounding Land Use and Zoning:* Property to the north is owned by Carlton Nursery and is zoned a mixture of RI, Resource Industrial and EF-80, Exclusive Farm Use. Property to the south is zoned EF-80. Property to the east, across the river, is in Marion County and appears

to be entirely in farm use. A 2.5 acre property to the west is owned by Wilco Farmers and is zoned RI, Resource Industrial. The remainder of the property bordering to the west is zoned EF-80 Exclusive Farm Use.

5. *Water:* Provided by an on-site well.

6. *Sewage Disposal*: Provided by an on-site septic system.

7. *Fire Protection:* Dayton Rural Fire Department.

8. *Previous Actions:* In 1973, Carlton Nursery Co. received approval for a partition that created the subject parcel (Docket P-291-73). In 1979, the County adopted Ordinance 202, which zoned a portion of the property RI, Resource Industrial and concluded that this portion of the property was committed to non-farm/non-forestry uses. In 1991, Norpac Foods received approval for the placement of an oil storage tank (Docket SDR-02-91). On December 29, 1993, Yamhill County adopted new zoning maps through Ordinance 565. In 2012 a similar use and site design review application was approved to allow on-site composting of what DEQ classifies as "Type 1 and 2" feedstocks. On October 30, 2014, as modified on November 4, 2014 in SDR-05-14, Yamhill County approved a modification to that approval of the on-site composting operation. On November 12, 2014, Carlton Farms appealed that approval. Thereafter the parties worked cooperatively to resolve that appeal to change the location of the approved composting activities. This approval resolves that appeal by adjusting the RI-zoned areas where composting may occur, and by establishing an area planned and zoned RI where a restrictive covenant will prohibit composting. The approved compost operation is subject to the same conditions of approval as applied in SDR-05-14, other than those pertaining to compost activity location. Compost activity is allowed as provided in SDR-05-14 with the location adjusted as provided in this approval decision.

9. *Groundwater Limited Area:* The property is located in a Groundwater Limited Area, identified by the Oregon Water Resources Department.

10. *Overlay Districts*: FIRM 410710445D shows the eastern portion (approximately 60 acres) of the property as being within the 100-year floodplain.

11. *Fish and Wildlife*: The property is not located in identified fish or wildlife habitat. The property is not located in the big game winter range.

12. *Soils:* The Yamhill County soil survey shows approximately half of the property has Cloquato silt loam and ¼ is Woodburn silt loam. The property also contains small enclaves of Amity and Newberg silt loam. All are rated as agricultural Class II soils.

B. Zone Change Provisions and Analysis

1. A quasi-judicial change to a zoning map may be authorized, pursuant to Subsection 1208.01, provided that the request satisfies all applicable requirements of this ordinance, and also provided that the applicant demonstrates compliance with the following criteria, except as provided in Subsection 1208.02:

    A. The proposed change is consistent with the goals, policies and any other applicable provisions of the Comprehensive Plan.

    B. There is an existing, demonstrable need for the particular uses allowed by the requested zone, considering the importance of such uses to the citizenry or the economy of the area, the existing market demand which such uses will satisfy, and the availability and location of other lands so zoned and their suitability for the uses allowed by the zone.

    C. The proposed change is appropriate considering the surrounding land uses, the density and pattern of development in the area, any changes which may have occurred in the vicinity to support the proposed amendment and the availability of utilities and services likely to be needed by the anticipated uses in the proposed district.

    D. Other lands in the County already designated for the proposed uses are either unavailable or not as well-suited for the anticipated uses due to location, size or other factors.

    E. The amendment is consistent with the current Oregon Administrative Rules (OAR's) for exceptions, if applicable.

2. Regarding criterion 1208.02(A): The majority of the Yamhill County Goals and Policies are aspirational and are not approval criteria. Due consideration is given to arguably applicable goals and policies in the following sections of these findings. Some of the county's goals and policies conflict with one another and not all of them apply to this decision. The applicable county goals and policies are to be used as a guide to aid decision makers, including the county in making this decision. Where applicable goals or policies conflict, the decision makers are required to weigh the evidence and resolve conflicts between potentially applicable goals. The proposal is consistent with the county goals and policies as discussed below:

- **Section I. URBAN GROWTH AND CHANGE AND ECONOMIC DEVELOPMENT**

Section I.B Rural Area Development

Goal Statement 1. To provide an adequate amount of land, development areas and sites to accommodate those uses which are customarily found in rural areas or require or are better suited to rural locations, without compromising the basic goal relating to urban containment and orderly urban development. (66)

Policies

C. All proposed rural area development and facilities:

1. **Shall be appropriately, if not uniquely, suited to the area or site proposed for development;**
2. **Shall not be located in any natural hazard area, such as a floodplain or area of geologic hazard, steep slope, severe drainage problems or soil limitations for building or sub-surface sewage disposal, if relevant;**
3. **Shall be furnished with adequate access and an adequate individual or community water supply, if required; and shall not be justified solely or even primarily on the argument that the land is less costly than alternative better sites or that federal or state aid is available in the form of subsidized water supply or sewerage extensions from nearby urban centers. (67)**

D. No proposed rural area development shall require or substantially influence the extension of costly services and facilities normally associated with urban centers, such as municipal water supply and sanitary sewerage or power, gas and telephone services, nor shall it impose inordinate additional net costs on mobile, centralized public services, such as police and fire protection, school busing or refuse collection. (68)

FINDINGS:

Section I.B addresses rural area development and includes a relevant goal statement and two policies. The proposal is consistent with and otherwise complies with Goal Statement 1 because it continues to provide for an adequate amount of land dedicated for rural uses. The proposed designation changes will not alter the overall commitment of the affected areas to rural uses and, given that the subject property is not located adjacent to or near an urban area, it does not impede the basic goal of expanding urban development in a concentrated and orderly manner.

The proposal is consistent with and otherwise complies with Policy C because it maintains the existing, appropriately suited levels of development and public facilities. No new public facilities are needed to implement development under the proposed configuration that would otherwise not be needed to implement development under the current configuration. The area of the property where the plan and zone designation exchange will take place is not located in any natural hazard area. And, given that the uses that will take place under the reconfigured parcel already have adequate transportation access and water, and because no additional transportation or water needs will result under the proposed changes, these services and facilities will continue to be adequate.

The proposal is consistent with and otherwise complies with Policy D because the proposal will not require or otherwise substantially influence the extension of costly services and facilities normally associated with urban uses. The proposal retains the property as rural land and allows only rural levels of uses. Additionally, as noted above, adequate rural levels of public facilities and services already exist for uses on the subject property and the nature, type and scale of uses that will occur after the proposal designation switch will remain the same as the current designation configuration.

The proposal is consistent with and otherwise complies with relevant provisions of the Yamhill County Land Use Comprehensive Plan Section I.B Rural Area Development.

- **Section I.F Economic Development**

Goal Statement 1. To maintain a rate and pattern of economic growth sufficient to prevent recurring high levels of unemployment and under-employment in the county, balance the real property tax base of the various cities, and strengthen local economic bases. (92) R

Policy:

B. Yamhill County will encourage economic development projects which do not conflict with the predominant timber and agricultural character of the county.

FINDINGS:

Comprehensive Plan Section I.F is focused on promoting economic development in Yamhill County. The county finds that the proposal is consistent with and otherwise complies with Goal Statement 1 because the proposed reconfiguration maintains the existing level of economic uses at the subject property by retaining nearly the same amount of RI zoning on the subject property. The slight 1.06-acre reduction in RI-zoned land will not adversely affect economic development on the property because the lost land was located on a portion of the property that was not particularly developable for RI uses and, following adoption of this ordinance, the RI area will contain more usable land in a better location than it previously held. Overall, this reconfiguration

will make the property more useful, contribute to the established real property tax base, and help to maintain the economic base of the local area.

The proposal is consistent with and otherwise complies with Policy B because approval of the plan and zoning designation exchange will provide for a slight increase in agricultural uses on the property and will maintain a resource industrial use that promotes the agricultural character of this area of the county.

The proposal is consistent with and otherwise complies with relevant provisions of the Yamhill County Land Use Comprehensive Plan Section I.F Economic Development.

- **Section I.H Industrial Development**

Goal Statement 1. To concentrate industries of similar types, service needs, and performance characteristics within designated areas of each of the existing urban centers; to encourage adequate land for new industrial development within urban growth boundaries; to encourage the relocation of existing industries from undesirable locations in order to eliminate land use conflicts; to attract new industries in accordance with the need to achieve a more balanced local property tax and employment base, while maintaining a high standard of environmental quality; and to protect the stability and functional aspect of industrial areas by protecting them from incompatible uses.

Policies:

E. Industrial uses will be located so that adequate buffer space is provided between incompatible land uses.

G. Agricultural, forestry and mineral resource-oriented industry will be accommodated in areas close to the resources utilized, provided that such industrial uses are compatible with any nearby urban development, city water supply and sewerage are not required, and waste discharges constitute no threat to the environment.

H. Established industrial areas may be extended and new industrial areas designated by plan amendment where development trends warrant such extension or designation and full urban services are extended into the area, if appropriate, and the extension or designation of land use and services is consistent with all other goals and policies of the comprehensive plan. (139)

FINDINGS:

The proposal is consistent with and otherwise complies with Section I.H, Goal Statement 1 because the proposed designation reconfiguration helps to protect the stability and functional aspects of a resource industrial area by facilitating relocation of a portion of the operation in order to eliminate

land use conflicts with activities taking place to the north of the compost facility. Approval of this proposal will promote both agricultural activity and industrial development of the county.

The proposal is consistent with and otherwise complies with Policy E because approval of the proposal will relocate an area currently designated RI on the northwest portion of the property southward and away from adjacent uses to the north that may find compost use of the existing area conflicting with their current uses. The proposal helps provide adequate buffer space to the uses to the north while continuing to maintain an adequate buffer for the land uses to the south.

The proposal is consistent with and otherwise complies with Policy G because it allows for the continuation and future expansion of an agricultural resource-oriented industry that is surrounded by the resources utilized for that industry. There is no nearby urban development that the proposal need be compatible with and, as noted above, city water and sewerage services are not required. Because the use simply maintains an existing use with only a reconfigured footprint and the composting operations will continue to operate under Department of Environmental Quality permits, waste discharges will likely continue to comply with applicable law and not constitute a threat to the environment.

The proposal is consistent with and otherwise complies with Policy H because, although the proposal results in no net increase in resource industrial designated lands, it relocates resource industrial uses to new areas of the subject property and the extension is consistent with all other goals and policies of the comprehensive plan. Additional facilities and services are not needed and no urban services will be extended onto the subject property.

The proposal is consistent with and otherwise complies with relevant provisions of the Yamhill County Land Use Comprehensive Plan Section I.H Industrial Development.

- **Section II. THE LAND AND WATER**

A. Agricultural Lands

GOAL STATEMENT 1. To conserve Yamhill County's farm lands for the production of crops and livestock and to ensure that the conversion of farm land to urban use where necessary and appropriate occurs in an orderly and economical manner. (104) R

POLICIES:

A. Yamhill County will provide for the preservation of farm lands through appropriate zoning, recognizing comparative economic returns to agriculture and alternative uses, changing ownership patterns and management practices, changing market conditions for agricultural produce, and various public financial incentives. (105)

H. No proposed rural area development shall substantially impair or conflict with the use of farm or forest land, or be justified solely or even primarily on the argument that the land is unsuitable for farming or forestry or, due to ownership, is not currently part of an economic farming or forestry enterprise.

FINDINGS:

The proposal is consistent with and otherwise complies with comprehensive plan Section II.A, Goal Statement 1, because the proposal conserves and even slightly increases the amount of Yamhill County farmland for continued productions of crops. The proposal does not provide for or allow the conversion of farmland for urban use.

The proposal is consistent with and otherwise complies with Policy A because it continues to provide for the preservation of farmland through appropriate zoning. While the proposal seeks to reconfigure the location of RI areas and EF areas on a split-zoned parcel, it not only preserves, but actually increases the amount of land that can be used for agricultural purposes. Both of the areas that will be designated for farm use are on the edges of areas currently being farmed.

The proposal is consistent with and otherwise complies with Policy H because it does not introduce any new activities that could substantially impair or conflict with farm use of the subject property. The long-present resource industrial use that occurs on the premises does not impair farming activity, it complements farming activity. Indeed, as noted above, it supports not only immediately surrounding farming activity, but the activity of wineries and other agricultural operations in the greater area that need a place to compost organic wastes.

The proposal is consistent with and otherwise complies with relevant provisions of the Yamhill County Land Use Comprehensive Plan Section II.A, Goal Statement 1 and related policies.

- **GOAL STATEMENT 2. To conserve Yamhill County's soil resources in a manner reflecting their suitability for forestry, agriculture and urban development and their sustained use for the purposes designated on the county plan map.**

POLICIES:

A. Yamhill County will continue to preserve those areas for farm use which exhibit Class I through IV soils as identified in the Capability Classification System of the U.S. Soil Conservation Service.

FINDINGS:

The proposal is consistent with and otherwise complies with Goal Statement 2 because it conserves high value soils for agriculture and agriculture-related uses consistent with designations on the county plan map for those soils types. While the proposal represents a reconfiguration of uses on the subject property, the soils types in the areas proposed for reconfiguration are predominantly

classified as type II soils. Consequently, the areas identified for active farming are capable of continuing to support agricultural use.

The proposal is consistent with and otherwise complies with Policy A because it continues to preserve class II soils for agricultural and agricultural resource-industrial related activities.

The proposal is consistent with and otherwise complies with relevant provisions of the Yamhill County Land Use Comprehensive Plan Section II.A, Goal Statement 2 and related policies.

- **SECTION VII. IMPLEMENTATION, EVALUATION AND REVIEW**

A. Citizen Involvement

POLICY:

A. Yamhill County will continue to implement an ongoing citizen involvement program that provides county residents opportunity to be involved in all phases of the planning process.

B. Review and Update

POLICY:

A. Yamhill County will review any development concepts or proposals which conflict with the Plan Map, goals or policies in light of changing needs and conditions and in keeping with established procedures of Plan evaluation, amendment, and update.

FINDINGS:

The proposal is consistent with and otherwise complies with the relevant citizen involvement policies embodied in Section VII.A. The county is reviewing this proposal under State-acknowledged procedures that promote and facilitate public participation in the land use decision making process.

The proposal is consistent with and otherwise complies with the relevant review and update policies embodied in Section VII.A. The county is reviewing the proposal, which changes the plan map and zoning district map, under established procedures for such amendments.

The proposal is consistent with and otherwise complies with the relevant provisions of the Yamhill County Land Use Comprehensive Plan Section VII. The applicant has therefor demonstrated compliance with YCZO 1208.02(A).

3. Regarding criteria 1208.02(B) and (D) generally: as noted in finding A.8, the existing composting facility was approved on the property in 2012, and that approval was modified in October and November of 2014. While the applicant or some other person or entity may be able to establish composting operations in other areas of the county, this property is better suited than other lands so zoned because it has an existing, established, composting facility. The reconfiguration of the RI Resource Industrial zone will allow for the efficient, continued use of the existing composting facility while rezoning an acre of property back to farm use. The Exhibit 12 map in the record of this proceeding shows the zoning for the greater area around the subject property. This map identifies various possible alternative areas for the proposed use and includes specific sites and generalized areas. The subject property is identified in red with a green star. Possible alternative sites are indicated by purple stars. This exhibit was relied upon by the county in its analysis for 1208.02 as well as for the analysis required by both OAR 660-023-0020(2)(b) and (c).

4. Regarding YCZO 1208.02(B), the county finds as follows:

There is a demonstrable need for the EF-80 and RI zoned uses for the citizenry and economy of the area. The comprehensive plan recognizes that commercial farm uses are a significant component of the county's economy. Resource-related industrial uses support robust agricultural activity. The county recognized the importance of, and need for, rural industrial uses in the area when it adopted an exception to the resource goals for the operation of a cannery on the subject parcel. That decision was subsequently granted acknowledgment by LCDC. The nature of the RI uses in this area have evolved over time to meet market need and demand. Today that demand warrants the composting activity that now takes place on the property and for its efficient continuation. The compost activity directly supports the agricultural sector, in particular the growth of wine-related agricultural activity.

The subject property contains a compost facility that is important to the farm economy in the area. Given the scarcity of RI planned and zoned properties in the area, the general unavailability of sites that are appropriately zoned, and the fact that this proposal simply reconfigures the plan and zone designation boundaries on a property where a compost facility has already been established, there is no property better suited for the uses that will be developed on the property. The proposal complies with YCZO 1208.02(B).

5. Regarding 1208.02(D), the county finds as follows:

There are several possible types of alternative sites that are indicated on Exhibit 12, which is located in the record and supports these findings. Of greatest relevance are RI zoned properties in the vicinity of the subject property – one located directly across SE Wallace Road (Hwy 221), and another property directly to the north on SE Palmer Creek Road. The Board finds that RI-zoned property to the immediate north is not properly considered because it is developed with RI uses. Other exception areas for consideration include Mineral Resource (MR) zoned properties, both along the Willamette River and to the west, and Very Low Density Residential (VLRD) zoned properties. Also, identified for consideration is the City of McMinnville.

The proposed use cannot be reasonably accommodated on nonresource land that would not require an exception. As is plainly evident from Exhibit 12, the subject property is surrounded by resource land that is composed of high value soils, or land that has received an exception to the resource goals, or urban areas. Existing exception areas are developed and the reasons for the exception do not permit the proposed compost use. Urban areas and compost facilities don't mix due to objections from urban dwellers related to odor. This has been apparent in the news accounts identified in the record of this matter concerning the City of North Plains and the nearby Recology compost facility located in Washington County. Given the area's location within the Willamette Valley, there is no reasonably viable nonresource land to consider under this factor.

The proposed use cannot be reasonably accommodated on land that is already irrevocably committed to nonresource uses not allowed by Goal 3, whether in existing unincorporated communities or by increasing the density of uses on committed lands. The nature of the proposed rural industrial use, composting, is one that occupies the surface of the land and is not the type of use that can be facilitated by increasing the density or intensity of the use. The most ideal committed lands that could possibly accommodate the proposed use are the existing RI lands either directly across Hwy 221 or located to the north. As explained below, those lands are not reasonably available to accommodate the compost use.

The adjacent property cannot reasonably accommodate the proposed use because the size of the RI zoned parcel (2.52 acres) is smaller than the acreage needed and involved in the map amendment (7.97 acres). Additionally, composting operations would need to be established at the site, which would incur start-up costs, making it prohibitively expensive. Even if that site were to be combined with the existing operations on the subject property, the 2.52-acre parcel would not be sufficient to accommodate the expansion needs and would require frequent compost vehicle crossings of an intersection in order to turn cooking compost or to facilitate sales. This would pose an increased risk to vehicles traveling on both SE Wallace Road and SE Alderman Road. For these reasons, the adjacent property cannot reasonably accommodate the proposed use.

The RI zoned property to the north on SE Palmer Creek Road is of sufficient size to accommodate the compost uses. However, that property is fully developed with existing uses. Consequently, conversion of that property to support the compost use would entail ending an existing business, removal of existing structures and equipment, and the establishment of new infrastructure needed for composting operations. This is not reasonable.

Exhibit 12 shows several different Mineral Resource zoned properties in the area. The MR zoned properties along the Willamette River are within the floodplain. Location of a compost facility within a floodplain area is not reasonable for economic as well as public safety reasons. Another MR-zoned site is identified to the west of the subject property. However, that site is in active mining use. Use of that property for the proposal would have adverse economic consequences because it would require halting the mining operation and incurring start-up costs for the composting facility. Additionally, it would likely require an exception to statewide planning Goal 5 if that property is identified as a significant Goal 5 resource site. For these reasons, it is unreasonable for that mining area to accommodate the proposed use.

Exhibit 12 identifies one of several similarly situated Very Low Density Residential exception areas that can be considered. Those exception areas include minimum parcel sizes of 2.5 or 5 acres depending on the zone district. The Board finds that generally these parcels are too small to accommodate the proposed use. In addition, these very low density residential exception areas tend to clump residential use properties together, so conversion of any parcel into compost use would likely generate resource industrial – residential use conflicts. The Board finds that it is not reasonable to locate industrial uses in exception areas granted for residential use purposes.

There are no existing committed lands in the greater area that can accommodate the proposed use.

The proposed use cannot be reasonably accommodated inside an urban growth boundary. The closest urban growth boundaries to the subject property are McMinnville, shown on Exhibit 12, and Dayton, located to the north of the subject property just off the map edge of Exhibit 12. Neither nearby city can reasonably accommodate the proposed compost facility uses that would be facilitated by the proposed exception and map amendments. In addition to the large footprint the compost facility would require, the general off-site impacts that result from the cooking of compost materials are not well-suited to the compact arrangement of uses within urban areas. While such impacts are typical of rural areas, in part because the typical distances between uses are much greater in rural areas, the impacts from processing and cooking of compost tend to conflict with urban uses, and it is not reasonable to relocate the existing compost operation to an urban area.

The there are no additional public facilities or services proposed or needed to accommodate the proposed use. There are presently adequate public facilities and services provided to the subject property to accommodate the expansion of the compost facility that the map amendments would allow.

Therefore, as explained herein, while there are other lands in the County that are already designated for RI uses, they are not as well-suited for the RI uses that currently take place and will continue to take place on the subject property, because they are not located in the same general area. This is the one of the few established compost facilities in the area. Furthermore, any RI designated properties in the area would have to establish a new compost facility at significant cost to the operator, whereas the composting operations at the subject property are already well established. The proposal simply reconfigures where those RI uses can occur on the subject property by exchanging RI designated land with EF-80 designated land and keeps roughly the same balance of RI to EFU land that exists today. In that respect, no other properties are as well-suited for the anticipated uses that are already planned for the property. The proposal is consistent with YCZO 1208.02(D).

6. Regarding YCZO 1208.02(C), the applicant was required to demonstrate that the proposed change is appropriate, considering the surrounding land uses, the density and pattern of development in the area, any changes that may have occurred in the vicinity to support the proposed amendment, and the availability of utilities and services likely to be needed by the anticipated uses in the proposed district. While the surrounding area is predominantly in farm use and is rural in character, there are other nearby rural businesses. Carlton Plants is located north of the existing composting facility. The manager of Carlton Plants has requested to have the

composting piles extend into a different area so that it will be more compatible with his neighboring business. This application is, in part, to accommodate that request.

The surrounding area is generally in farm use and is rural in character. This proposal exchanges some land planned for RI uses, with land planned for EF uses on a property that has an existing RI compost use. The uses that would result from the proposal are appropriate for the rural environment and the density and pattern of development in the area and will help support the uses on those other properties.

No changes have occurred in the vicinity to support the proposed amendment and no additional utilities or services will need to be extended to the anticipated uses that will take place with the proposed district reconfiguration.

Regarding the availability of utilities and services in the area: the property has an on on-site well but does not have an on-site sewer system, and one is not needed for the use. Other services, such as electricity, telephone, sheriff and fire protection, are already available in the area. The proposal complies with YCZO 1208.02(C).

7. Regarding YCZO 1208.02(E): the application includes a request and justification for a reasons exception. Findings determining applicable reasons exception criteria are met, are provided below. Accordingly, this standard is met.

YCZO 1208.02 Conclusion:

The applicant has demonstrated that the proposal is consistent with the YCZO 1208.02 standards for a quasi-judicial change to the zoning map.

C. Goal Exception Provisions and Analysis

Although the application is for exchanging areas of property planned and zoned RI Resource Industrial and EF-80 Exclusive Farm Use, with more resulting acreage being planned and zoned EF-80, state law requires justification of an exception to Statewide Planning Goals in order to rezone the EF-80 property to RI. In addition, while the intended use of the property is for a composting facility, and composting is allowed in the farm zone on non-high value farmland, the applicant's property is high value farmland, thus triggering the requirement for an exception. Oregon Administrative Rule (OAR) 660-004 contains the requirements for taking an exception to the goals. Those standards are met as explained below.

OAR 660-004-0010 discusses the application of the Goal 2 exceptions process to certain goals. Subsection (1)(a) specifically addresses Goal 3 – Agricultural Lands, and provides that the exceptions process in applicable to:

> *(a) Goal 3 "Agricultural Lands;" however, an exception to Goal 3 "Agricultural Lands" is not required for any of the farm or nonfarm uses allowed in an exclusive farm use (EFU) zone under ORS chapter 215 and OAR chapter 660, division 33,*

"Agricultural Lands," except as provided under OAR 660-004-0022 regarding a use authorized by a statewide planning goal that cannot comply with the approval standards for that type of use;

FINDING: As discussed in more detail below, the proposed plan designation and zoning is a use provided under OAR 660-004-0022 (industrial development on resource land located outside of an urban growth boundary) and is therefore subject to the exceptions process because it is not a use allowed in an exclusive farm use zone. The applicant notes that while composting is allowed in EFU zones, it is not allowed on high value farmland, and the subject property is considered high value farmland.

OAR 660-004-0020 provides the criteria for a reasons exception. Each of the relevant OAR 660-004-0020 provisions is addressed separately below. Note that OAR 660-004-0020(1) invokes OAR 660-004-0022, and that the relevant provisions under OAR 660-004-0022 are addressed under OAR 660-004-0020(1).

OAR 660-004-0020(1) provides:

(1) If a jurisdiction determines there are reasons consistent with OAR 660-004-0022 to use resource lands for uses not allowed by the applicable Goal or to allow public facilities or services not allowed by the applicable Goal, the justification shall be set forth in the comprehensive plan as an exception. As provided in OAR 660-004-0020(1), rules in other divisions may also apply.

FINDING: This is a gatekeeping provision that requires an applicant to demonstrate that there are reasons consistent with those set forth under OAR 660-004-0020 to take a reasons exception. If those reasons are met, then the reasons exceptions analysis can proceed; if the reasons are not met, then the proposed use is not permissible through a reasons exception.

As demonstrated immediately below, the proposed use satisfies the requirements provided under OAR 660-004-0022.

OAR 660-004-0022(1) provides, in relevant part:

(1) For uses not specifically provided for in this division, or in OAR 660-011-0060, 660-012-0070, 660-014-0030 or 660-014-0040, the reasons shall justify why the state policy embodied in the applicable goals should not apply.

FINDING: The requirements set forth in this provision do not apply because the use is a use specifically provided for in another section of the division.

OAR 660-004-0022(3) provides:

(3) Rural Industrial Development: For the siting of industrial development on resource land outside an urban growth boundary, appropriate reasons and facts may include, but are not limited to, the following:

(a) The use is significantly dependent upon a unique resource located on agricultural or forest land. Examples of such resources and resource sites include geothermal wells, mineral or aggregate deposits, water reservoirs, natural features, or river or ocean ports;

(b) The use cannot be located inside an urban growth boundary due to impacts that are hazardous or incompatible in densely populated areas; or

(c) The use would have a significant comparative advantage due to its location (e.g., near existing industrial activity, an energy facility, or products available from other rural activities), which would benefit the county economy and cause only minimal loss of productive resource lands. Reasons for such a decision should include a discussion of the lost resource productivity and values in relation to the county's gain from the industrial use, and the specific transportation and resource advantages that support the decision.

FINDING: The proposed use is for industrial development (resource industrial) on resource land (EFU) outside an urban growth boundary. The proposed use is eligible for a reasons exception because it meets the reasons provided for under subsections (a) and (c) above.

The proposal satisfies the requirements of OAR 660-004-0022(3)(a) because the resource industrial use at issue, composting, relies significantly upon feedstock (biological waste material) generated by surrounding and nearby agricultural operations, including wineries and commercial horse operations. The commercial viability of the proposed industrial use relies upon a steady flow of feedstock from these agricultural uses.

The proposed use has a significant comparative advantage to other compost facilities due to its close proximity to the farms and wineries that require its services, and therefore meets the requirements of OAR 660-004-0022(3)(c). This comparative advantage results in lower transportation costs for customers to the facility as well as a savings in the time required to deliver feedstock to the site and/or to purchase compost. This is the only compost facility in the immediate area and the area benefits from the comparative advantage it has from its location. Expansion onto EFU land as part of a designation exchange will allow the compost facility to expand to take even greater advantage of this comparative advantage.

For each of the reasons provided above, the proposed siting of industrial development on resource land is consistent with OAR 660-004-0022 and is eligible for a reasons exception. The proposal is consistent with OAR 660-004-0020(1).

OAR 660-004-0020(2) provides:

(2) The four standards in Goal 2 Part II(c) required to be addressed when taking an exception to a goal are described in subsections (a) through (d) of this section, including general requirements applicable to each of the factors:

FINDING: Each of the four standards of Goal 2 part II(c) is addressed separately below in the responses to OAR 660-004-0020(2)(a) through (d).

OAR 660-004-0020(2)(a) provides:

(a) "Reasons justify why the state policy embodied in the applicable goals should not apply." The exception shall set forth the facts and assumptions used as the basis for determining that a state policy embodied in a goal should not apply to specific properties or situations, including the amount of land for the use being planned and why the use requires a location on resource land;

FINDING: There are several reasons that justify why the state policy embodied in Goal 3 should not apply in this instance.

First, the reconfiguration of designations on the subject property will result in a net gain in EFU designated land. Unlike most exceptions to Goal 3, which result in a net loss of land in resource production, approval of the proposed map amendments will result in an increase in high value farmland zoned for agricultural production.

Second, the county has demonstrated a need for resource industrial-designated property through the taking of an exception that included land on the subject property and by having that exception acknowledged. That exception accommodates the composting facility that currently operates on the subject property. That need for such a facility continues, and approval of this exception will facilitate the expansion of the resource-based industrial uses on the subject property. Resource industrial uses, by definition, are heavily dependent upon natural resources and require proximity to, if not location on, resource land.

Third, the purpose of the exception is to allow a map amendment that establishes a configuration of existing plan designations and zoning districts on the subject property that promotes a better harmony between uses on the subject and adjacent properties. This will permit expanded resource-based industrial uses that will support additional agricultural economic activity with even fewer potential impacts on existing adjacent uses.

Fourth, the topography of the subject property precludes compatible expansion of the needed resource industrial use in a way that mitigates potential adverse impacts on adjacent properties. The current plan designation and zoning district configuration forces expansion of the composting operation to the areas closest to adjacent properties, especially in the north. Eastward expansion of the compost use is not possible due to the steep elevation change adjacent to the existing operations. Approval of the exception and the proposed map amendment will move expansion of the composting operation from the north, which has been a concern of Carlton Farms located to the north, to the central portion of the subject property.

Each of these reasons justify an exception to Goal 3 in this instance. Collectively, they provide reasons for why an exception should be granted in this instance. The proposal complies with OAR 660-004-0020(2)(a).

OAR 660-004-0020(2)(b) provides:

> *(b) "Areas that do not require a new exception cannot reasonably accommodate the use". The exception must meet the following requirements:*
>
> *(A) The exception shall indicate on a map or otherwise describe the location of possible alternative areas considered for the use that do not require a new exception. The area for which the exception is taken shall be identified;*
>
> *(B) To show why the particular site is justified, it is necessary to discuss why other areas that do not require a new exception cannot reasonably accommodate the proposed use. Economic factors may be considered along with other relevant factors in determining that the use cannot reasonably be accommodated in other areas. Under this test the following questions shall be addressed:*
>
> *(i) Can the proposed use be reasonably accommodated on nonresource land that would not require an exception, including increasing the density of uses on nonresource land? If not, why not?*
>
> *(ii) Can the proposed use be reasonably accommodated on resource land that is already irrevocably committed to nonresource uses not allowed by the applicable Goal, including resource land in existing unincorporated communities, or by increasing the density of uses on committed lands? If not, why not?*
>
> *(iii) Can the proposed use be reasonably accommodated inside an urban growth boundary? If not, why not?*
>
> *(iv) Can the proposed use be reasonably accommodated without the provision of a proposed public facility or service? If not, why not?*
>
> *(C) The "alternative areas" standard in paragraph B may be met by a broad review of similar types of areas rather than a review of specific alternative sites. Initially, a local government adopting an exception need assess only whether those similar types of areas in the vicinity could not reasonably accommodate the proposed use. Site specific comparisons are not required of a local government taking an exception unless another party to the local proceeding describes specific sites that can more reasonably accommodate the proposed use. A detailed evaluation of specific alternative sites is thus not required unless such sites are specifically described, with facts to support the assertion that the sites are more reasonable, by another party during the local exceptions proceeding.*

FINDINGS: The Exhibit 12 map in the record of this proceeding is relied upon for these findings. The map shows the zoning for the greater area around the subject property. The map identifies various possible alternative areas for the proposed use and includes specific sites and generalized areas. The subject property is identified in red with a green star. Possible alternative sites are indicated by purple stars. Exhibit 12 is used in the analysis for both OAR 660-023-0020(2)(b) and (c).

There are several possible types of alternative sites that are indicated on Exhibit 12. Of greatest relevance are RI zoned properties in the vicinity of the subject property – one located directly across SE Wallace Road (Hwy 221), and another property directly to the north on SE Palmer Creek Road. The RI zoned property to the immediate north is not considered because it is developed with RI uses. Other exception areas for consideration include Mining Resource (MR) zoned properties, both along the Willamette River and to the west, and Very Low Density Residential (VLRD) zoned properties. Also, identified for consideration is the City of McMinnville.

This standard requires explicit responses to a series of questions that follow.

The proposed use cannot be reasonably accommodated on nonresource land that would not require an exception. As is plainly evident from Exhibit 12, the subject property is surrounded by resource land that is composed of high value soils, or land that has received an exception to the resource goals, or urban areas. Existing exception areas are developed and the reasons for the exception do not permit the proposed compost use. Urban areas and compost facilities don't mix due to objections from urban dwellings related to odor. This has been painfully apparent in the news concerning the City of North Plains and the nearby Recology compost facility located in Washington County. Given the area's location within the Willamette Valley, there is no reasonably viable nonresource land to consider under this factor.

The proposed use cannot be reasonably accommodated on land that is already irrevocably committed to nonresource uses not allowed by Goal 3, whether in existing unincorporated communities or by increasing the density of uses on committed lands. The nature of the proposed rural industrial use, composting, is one that occupies the surface of the land and is not the type of use that can be facilitated by increasing the density or intensity of the use. The most ideal committed lands that could possibly accommodate the proposed use are the existing RI lands either directly across Hwy 221 or located to the north. As explained below, those lands are not reasonably available to accommodate the compost use.

The adjacent property cannot reasonably accommodate the proposed use because the size of the RI zoned parcel (2.52 acres) is smaller than the acreage needed and involved in the map amendment (7.97 acres). Additionally, the applicant or some other entity or person would need to establish composting operations at the site, which would incur start-up costs, making it prohibitively expensive. Even if that site were to be combined with the existing operations on the subject property, the 2.52-acre parcel would not be sufficient to accommodate the expansion needs and would require frequent compost vehicle crossings of an intersection in order to turn cooking compost or to facilitate sales. This would pose an increased risk to vehicles traveling on both SE

Wallace Road and SE Alderman Road. For these reasons, the adjacent property cannot reasonably accommodate the proposed use.

The RI zoned property to the north on SE Palmer Creek Road is of sufficient size to accommodate the compost uses, however that property is fully developed with existing uses. Consequently, conversion of that property to support the compost use would entail ending an existing business, removal of existing structures and equipment, and the new establishment of the infrastructure needed for composting operations. This is not reasonable.

Exhibit 12 (in the record) shows several different Mineral Resource zoned properties in the area. The MR zoned properties along the Willamette River are within the floodplain. Location of a compost facility within a floodplain area is not reasonable for economic as well as for public safety reasons. Another MR zoned site is identified to the west of the subject property. However, that site is in active mining use. Use of that property for the proposal would have adverse economic consequences because it would require halting the mining operation and incurring start-up costs for the composting facility. Additionally, it would likely require an exception to statewide planning Goal 5 if that property is identified as a significant Goal 5 resource site. For these reasons, it is unreasonable for that exception area to accommodate the proposed use.

Exhibit 12 identifies one of several similarly situated Very Low Density Residential exception areas that can be considered. Those exception areas include minimum parcel sizes of 2.5 or 5 acres depending on the zone district. Generally, these parcels are too small to accommodate the proposed use. In addition, these very low density residential exception areas tend to clump residential use properties together, so conversion of any parcel into compost use would likely generate resource industrial – residential use conflicts. It is not reasonable to locate industrial uses in exception areas granted for residential use purposes.

There are no existing committed lands in the greater area that can accommodate the proposed use.

The proposed use cannot be reasonably accommodated inside an urban growth boundary. The closest urban growth boundaries to the subject property are McMinnville, shown on Exhibit 12, and Dayton, located to the north of the subject property just off the map edge of Exhibit 12. Neither can reasonably accommodate the proposed compost facility uses that would be facilitated by the proposed exception and map amendments. In addition to the large footprint the compost facility would require, the general off-site impacts that result from the cooking of compost materials are not well-suited to the compact arrangement of uses within urban areas. While such impacts are typical of rural areas, in part because the typical distances between uses are much greater in rural areas, the impacts from processing and cooking of compost is not reasonably located in urban areas.

There are no additional public facilities or services proposed as needed to accommodate the proposed use. There are presently adequate public facilities and services provided to the subject property to accommodate the proposed map amendments and the expansion of the compost facility that the map amendments would support.

The proposal complies with OAR 660-004-0020(2)(a).

OAR 660-004-0020(2)(c) provides:

> *(c) "The long-term environmental, economic, social and energy consequences resulting from the use at the proposed site with measures designed to reduce adverse impacts are not significantly more adverse than would typically result from the same proposal being located in areas requiring a goal exception other than the proposed site." The exception shall describe: the characteristics of each alternative area considered by the jurisdiction in which an exception might be taken, the typical advantages and disadvantages of using the area for a use not allowed by the Goal, and the typical positive and negative consequences resulting from the use at the proposed site with measures designed to reduce adverse impacts. A detailed evaluation of specific alternative sites is not required unless such sites are specifically described with facts to support the assertion that the sites have significantly fewer adverse impacts during the local exceptions proceeding. The exception shall include the reasons why the consequences of the use at the chosen site are not significantly more adverse than would typically result from the same proposal being located in areas requiring a goal exception other than the proposed site. Such reasons shall include but are not limited to a description of: the facts used to determine which resource land is least productive, the ability to sustain resource uses near the proposed use, and the long-term economic impact on the general area caused by irreversible removal of the land from the resource base. Other possible impacts to be addressed include the effects of the proposed use on the water table, on the costs of improving roads and on the costs to special service districts;*

FINDING: Exhibit 12 (in the record) shows that the vast majority of land within the greater area surrounding the subject property is in resource use. Given the area's location within the Willamette Valley, soils are generally of high quality and are very productive. Consequently, there are no least productive properties to target for analysis and this justification considers resource land generally.

The economic consequences of developing the proposed uses in resource areas that require a new exception are significantly greater than if the plan and zoning map amendments occur solely on the subject property. On the subject property, there will be a net gain in resource plan and zoned land as a consequence of the proposed zoning exchange. This means the county will realize the economic benefits of an expanded compost operation that is integrated to the existing operation, as well as an increase in agricultural productivity because the land to be exchanged is high value farm land and is adjacent to land currently in farm use. The same cannot be said of other resource lands in the area. In all instances, conversion of resource land to resource industrial use will take that land out of agricultural production with long term economic consequences. Additional economic costs will derive from establishing a new industrial use at an undeveloped location and the costs of either relocating the existing facilities to the new location, or of running a composting operation that has components at different locations. The farther away the alternative resource

land is from the subject property, the higher those long term operating costs will be. The best economic consequences result from granting an exception to Goal 3 and allowing the proposed exchange of zoning designations within the subject property.

The social consequences of granting an exception for the subject property are also much less than of doing the same on other resource land. The subject property already has a resource industrial use approved for the property. Consequently, expansion of that compost uses would not appear nearly as disruptive to the social character of the area in the same way as the creation of a new resource industrial use on land previously used only for farm or forest purposes. Locating resource industrial uses in an immediate area for which an exception had already been taken and that has been historically planned for resource industrial uses is likely to be more socially acceptable than the unnecessary conversion of resource land for resource industrial use.

There should be a minimal to no difference in the environmental consequences of replacing land in resource use with resource industrial uses and vice versa. In neither instance is the land in a natural environment state. Compost facility operations must operate within DEQ permit guidelines, so adverse environmental impacts are minimal and are monitored. Agricultural or forest use of property, while not subject to environmental permitting, are not viewed as having extreme adverse environmental impacts. The area on the subject property proposed for the exception is on the higher-elevated portions of the subject property, consequently approval of the exception is unlikely to adversely impact the water table or otherwise impact the environment in the event of the Willamette River flooding. Some of the other areas that would require a goal exception are within the floodplain and could result in greater adverse environmental impacts in flood situations.

Expansion of the compost facility operations will not result in an increase in energy consumption because the same amount of material can be brought to and processed at the site as now. The only difference is the slight adjustment of the composting location on the property to avoid conflicts with Carlton Farms. If the expansion area is located at some other site where an exception is required, energy expenditures will increase as a result of the travel back and forth between locations and other inefficiencies that would result from separate operations. If the entire compost facility operations are relocated to the new site, then there will be the associated costs of preparing the new site for full compost facility operations, relocating the facility and decommissioning the existing facility. All of which would make the energy expenditures at other locations greater than those that would flow from granting the proposed exception.

For the reasons provided above, the applicant has demonstrated that the long-term ESEE consequences that would result from the use at the proposed site are not significantly more adverse than would typically result from the same proposal being located in areas requiring a goal exception other than the proposed site. The proposal complies with OAR 660-004-0020(2)(c).

OAR 660-004-0020(2)(d) provides:

> *(d) "The proposed uses are compatible with other adjacent uses or will be so rendered through measures designed to reduce adverse impacts." The exception*

shall describe how the proposed use will be rendered compatible with adjacent land uses. The exception shall demonstrate that the proposed use is situated in such a manner as to be compatible with surrounding natural resources and resource management or production practices. "Compatible" is not intended as an absolute term meaning no interference or adverse impacts of any type with adjacent uses.

FINDING: This proposal directly responds to this provision that promotes compatibility with adjacent uses. As noted above, the purpose of the map change proposal is to reconfigure the footprint of existing plan and zone designations on the subject property to mitigate potential adverse impacts on resource industrial uses to the north and residences to the south. This proposal achieves this by moving areas for compost use farther away from these adjacent uses resulting in a net increase in EFU land available for agriculture than without the exception. Through this approval, expansion of the compost facility will be more compatible with these adjacent uses than they currently are because the compost processing and cooking areas will be farther away from adjacent uses and out of the "line of sight" of prevailing winds.

The map amendment proposal that the exception will support will also be compatible with surrounding natural resource uses. The existing composting facility has operated adjacent to farming activity on surrounding properties for some time and the subject property itself without any conflicts. That should not change with the proposed map amendment. In fact, following approval of the map amendment, there will be an additional 1.06 acres of EF-80 land adjacent to other EF-80 land currently in agricultural use. This net-gain in EFU land should promote agricultural production in the area.

The proposal satisfies the requirements of OAR 660-004-0020(2)(d).

For the reasons provided above, the proposed map amendments comply with the requirements for a reasons exception to the resource goals.

E. STATEWIDE PLANNING GOALS

Goal 1 Citizen Involvement: ***To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.***

FINDINGS:

Yamhill County has an acknowledged zoning ordinance that ensures citizen involvement in all phases of the planning process. This application is being processed following the procedures set forth in the YCZO. Those procedures provide for public notice and an opportunity for citizens to participate orally and in writing in the county proceedings for this proposal.

The proposal is consistent with Goal 1.

Goal 2 – Land Use Planning: ***To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.***

FINDINGS:

Yamhill County has established a land use planning process and policy framework through adoption of and adherence to the provisions of the Yamhill County Comprehensive Land Use Plan and the Yamhill County Zoning Ordinance. This proposal is being evaluated under the procedures and approval criteria set forth in the YCZO, which assures that there is an adequate factual base for a decision on the proposed action. The record contains information establishing an adequate factual base for this decision.

The proposal is consistent with Goal 2.

Goal 3 – Agricultural Land: ***To preserve and maintain agricultural lands.***

FINDINGS:

The proposal helps preserve and maintain agricultural lands in a number of ways. First, the EFU zoned portion of the property will see a net gain of 1.06 acres of high quality soils. Second, the EFU portions of the property will gain a large strip of usable land adjacent to the largest agricultural field on the subject property, which should add efficiencies to the commercial farming operations that take place there.

The proposal is consistent with Goal 3.

Goal 4 – Forest Land: ***To conserve forest lands.***

FINDINGS:

Goal 4 is not applicable to this proposal as the subject property and proposed action do not affect any forest plan designation or use. The subject property is not acknowledged as forestland and is not otherwise suitable for commercial forest use.

The proposal is consistent with Goal 4.

Goal 5 – Open Spaces, Scenic and Historic Areas, and Natural Resources: ***To conserve open space and protect natural and scenic resources.***

FINDINGS:

Goal 5 requires local governments to adopt programs that will protect natural resources and conserve scenic, historic and open space resources for present and future generations. Goal 5 and the Goal 5 rule sets forth a process where local governments must inventory, analyze and then develop programs to protect these resources, which include mineral and aggregate resources. See OAR 660-023-0030 through -0050.

Yamhill County has gone through the Goal 5 process and has identified its Goal 5 resources. None exist on the western portion of the subject property. This proposal does not impact any Goal 5 resources.

The proposal is consistent with Goal 5.

Goal 6 – Air, Water and Land Resources Quality: ***To maintain and improve the quality of the air, water, and land resources of the state.***

FINDINGS:

Goal 6 addresses waste and process discharges from development, and is aimed at protecting air, water and land from impacts from those discharges. The existing discharge outfall on the property is maintained in the RI district. This proposal will not allow any new types of uses that cannot already take place on the subject property, it only changes where those activities can take place. Some of those activities will require future county development approvals. Future development on the RI zoned portions of the property will be subject to the provisions of the YCZO, which may operate to mitigate potential adverse impacts to air, water and land resource quality. Additionally, for the compost uses that take place in the RI areas of the property, the operator is required to obtain a DEQ permit and comply with permit requirements, which operate to protect air, water and land resources.

The proposal is consistent with Goal 6.

Goal 7 – Areas Subject to Natural Disasters and Hazards: ***To protect life and property from natural disasters and hazards.***

FINDING:

Goal 7 requires that local government planning programs include provisions to protect people and property from natural hazards such as landslides and floods. The portions of the subject property that are the focus of this proposal are not in an area identified by the county as subject to natural disasters or hazards.

The proposal is consistent with Goal 7.

Goal 8 – Recreational Needs: ***To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities to include destination resorts.***

FINDING:

Goal 8 ensures the provision of recreational facilities to Oregon citizens. The county has not identified the subject property as a site needed for the county's recreational needs. The proposal will not impact the provision of recreational facilities to the public.

The proposal is consistent with Goal 8.

Goal 9 – Economic Development: ***To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.***

FINDINGS:

The economic benefits of the proposal are many. The operation on the Resource Industrial planned and zoned area is one of the few commercial compost facility located in the area. Given the strong presence of commercial agricultural activity in the area, there is a significant need for disposal of organic materials. It is inappropriate to dispose of compostable materials in a landfill if they can be safely and economically processed into useable products, as they are at the subject facility. The most economically beneficial means of processing organic wastes is through composting. In particular, this facility serves and will continue to serve the significant needs of the many Yamhill County and local area wineries. Service to commercial agriculture, in particular wineries, is a significant economic benefit to Yamhill County.

Although the proposal will result in less land dedicated to resource industrial use, the proposed map amendment will improve the economic benefits to be gained from the combined RI and EFU uses because the proposal results in more operationally usable area dedicated to the RI use and will make areas of previously unusable resource industrial dedicated lands available for EFU uses.

Consequently, both components of the land designation exchange will contribute to improved economic development in Yamhill County.

The proposal is consistent with Goal 9.

Goal 10 – Housing: ***To provide for the housing needs of the citizens of the state.***

FINDINGS:

Goal 10 requires that communities plan for the residential needs of their residents. The county has not identified the subject property as necessary for the county to meet its residential land needs or as being suitable for residential use. While a portion of the property did receive an exception to the resource statewide planning goals, it was for resource industrial uses, not for residential uses. This proposal will not change the plan designation or zoning for land identified for residential uses and will not otherwise adversely affect residential land.

The proposal is consistent with Goal 10.

Goal 11 – Public Facilities and Services: ***To plan and provide a timely, orderly and efficient arrangement of public facilities and services to provide as a framework for urban and rural development.***

FINDINGS:

The proposal does not affect the planning or development of future public facilities or services. Given that the end uses already exist on the property and that the proposal simply reconfigures those uses on the property without a need to relocate or to provide additional public facilities and services to the site, the proposal raises no Goal 11 issues or adverse consequences related to the county's provision of public facilities and services.

The proposal is consistent with Goal 11.

Goal 12 – Transportation: ***To provide and encourage a safe, convenient and economic transportation system.***

FINDINGS:

Goal 12 is implemented through the Transportation Planning Rule (TPR) located at OAR 660-012. OAR 660-012-0060(1) states that land use changes that significantly affect a transportation facility require mitigation measures to address the anticipated transportation impacts. Such changes can include amendments that change the comprehensive plan designation or the zoning district designation of property because they hold the potential to alter the function, capacity or performance standards of a transportation facility by altering the number and types of vehicle trips allowed by the changed designations.

The focus of the Goal 12 analysis is whether a change 'significantly affects' a transportation facility. If a change does not "significantly affect" transportation, Goal 12 is satisfied and no further analysis or action is required under the goal. OAR 660-012-0060(2) sets out when a proposal significantly affects a transportation facility:

> *(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 system;*
> *(c) Allows types or levels of land uses which would result in levels of travel or access which are inconsistent with the functional classification of a transportation facility; or*
> *(d) Would reduce the performance standards of the facility below the minimum acceptable level identified in the TSP.* OAR 660-012-0060(2).

Often, a traffic impact study is required to demonstrate compliance with Goal 12. In this instance a traffic study is not necessary because the overall uses and the scope of allowed uses on the subject property will not change, just their locations.

The county's transportation system plan (TSP) is based on the reasonably anticipated traffic levels generated by the uses consistent with the plan designations for a property. In this instance, the TSP is based on the traffic volumes that would be generated by 26.50 acres of resource industrial activity. Given that the proposed designation exchange results in 25.26 acres of RI designated land, and that RI uses generate more traffic trips than EFU uses, the proposal results in a net reduction of vehicle trips over that provided for under the county's approved TSP. Consequently, the proposal will not allow types or levels of land uses that would result in levels of travel or access that are inconsistent with the functional classification of impacted transportation facilities, nor will it reduce the performance standards of any facilities because the total number of vehicle trips resulting from the proposal represents a decrease in the number of trips anticipated under the TSP and for which the functional capacity of surrounding transportation facilities is adequate.

Furthermore, because the proposal does not change the functional classification of any existing or planned facilities, and does not change the functional classification system implementing standards, the proposal does not significantly affect a transportation facility.

The proposal is consistent with Goal 12.

Goal 13 – Energy Conservation: ***To conserve energy.***

FINDINGS:

Goal 13 mandates that uses developed on the land shall be managed and controlled so as to maximize the conservation of all forms of energy, based upon sound economic principles. This

action does not result in any additional energy consumption on the subject property because it simply reconfigures where existing permitted uses can take place on the subject property. It does not authorize any different or additional uses on the property.

Therefore the proposal is consistent with Goal 13.

Goal 14 – Urbanization: ***To provide for an orderly and efficient transition from rural to urban land uses.***

FINDINGS:

Goal 14 sets out the general processes and requirements to convert rural land to urban land. This action does not convert rural land to urban land; it only reconfigures the location of RI and EF uses on the subject property. It does not change the nature of the permitted uses or allow urban uses on rural land.

The proposal is consistent with Goal 14.

Goal 15 – Willamette River Greenway: ***To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.***

FINDINGS:

Goal 15 requires that local governments protect, conserve and enhance several aspects of the Willamette River through creation of the Willamette River Greenway. No portion of the subject property is adjacent to the Willamette River or lies within the Willamette River Greenway. While some of the eastern portion of the property lies within the Willamette River floodplain, the area addressed by this proposal lies on the western portion of the property, well away from the Willamette River. The proposal allows continuation of long-standing uses that have operated without adverse impact to, and harmoniously with, the Willamette River, and relocates a portion of the RI zoning footprint away from lower-lying lands to the upland portions of the property.

The proposal is consistent with Goal 15.

Goals 16 through 19 (Estuarine Resources, Coastal Shorelands, Beaches and Dunes, and Ocean Resources):

FINDINGS:

There are no coastal, ocean, estuarine, or beach and dune resources related to the property affected by this proposal. Therefore, these goals are not relevant and the proposal will not affect compliance with Goals 16 through 19.

The proposal is consistent with all Statewide Planning Goals.

OVERALL CONCLUSIONS FOR APPROVAL:

1. The request is for a comprehensive plan amendment and zone change to exchange nearly equal amounts of land zoned EF-80 Exclusive Farm Use and land zoned RI Resource Industrial. The proposal involves 9.03 acres of RI zoned land being rezoned to EF-80, and 7.97 acres of EF-80 land being rezoned to RI, including an exception to Goal 3, which the Board hereby approves.

2. The proposed plan amendment and zone change is consistent with applicable Comprehensive Plan goals and policies.

3. The proposed change is consistent with all applicable Yamhill County code provisions including the zone change criteria of Section 1208.02.

4. Due to the unique circumstances of the site the proposal complies with OAR 660-04-0020 for a reasons exception.

5. The proposed change complies with all applicable Statewide Planning Goals including the Transportation Planning Rule.

DECISION:

Based upon the demonstration of compliance with all applicable YCZO provisions, County Plan provisions, state law requirements and the evidence in the record, the Board approves the proposed comprehensive plan designation map and zoning district map changes and reasons exception.

At the request of the Parties, the Board also modifies SDR-05-14 Condition 3, to read as follows:

"The composting facility shall be modified as shown on Exhibit 1, Pages 4, 5, and 6 of the application, and located wholly within the RI Resource Industrial zone, with the exception that no Composting Facility Operations as defined in the Restrictive Covenant which is Exhibit 13 to PAZ-02-15, shall occur in the area prohibited by said Restrictive Covenant unless the parties thereto agree in writing."

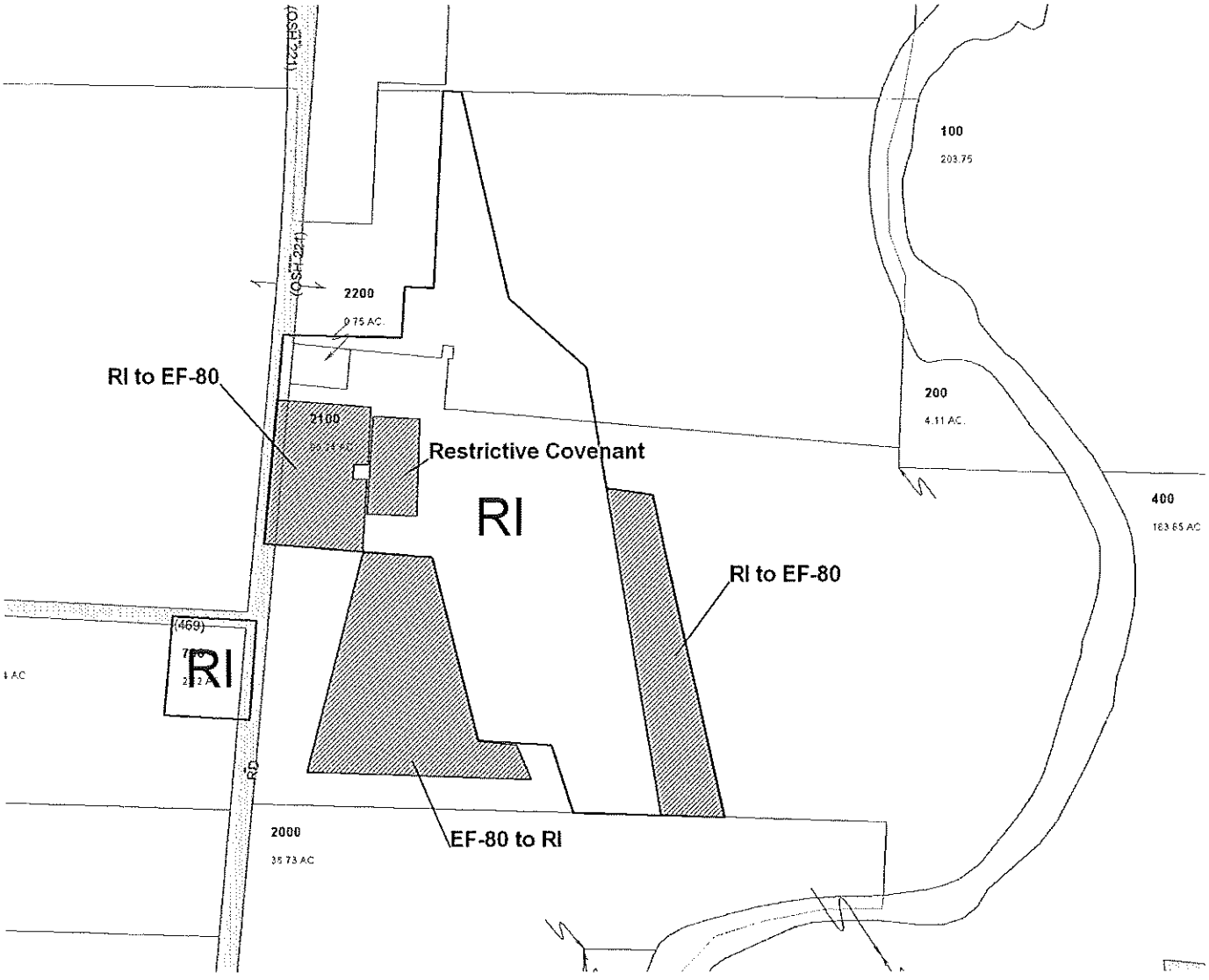
SDR-05-14 may be modified consistent with applicable law without requiring an amendment to this Decision.

CONDITION OF APPROVAL

1. The Applicant shall record the Declaration of Restrictive Covenant attached as Exhibit 4 to the Applicant's application in the Deed and Mortgage Records of Yamhill County within a period of 27 days after the following events have occurred: (1) County provides the Department of Land Conservation and Development with notice of the final approval of the Application on the required forms as required by ORS 197.610 to 197.625 and ORS 197.830(9), and (2) County

provides the required published and individual notice to all persons entitled to individual notice of this Approval Decision under ORS 197.615 and the County Code.

EXHIBIT -B- MAP FOR ORDINANCE NO. 894
ADOPTED BY THE YAMHILL COUNTY BOARD OF COMMISSIONERS
OCTOBER 22, 2015
DOCKET PAZ-02-15,
APPROVAL TO CHANGE THE COMPREHENSIVE PLAN AND ZONING MAP
BETWEEN INDUSTRIAL (I) / RESOURCE INDUSTRIAL (RI) AND
AGRICULTURE/FORESTRY LARGE HOLDING (AFLH) / EXCLUSIVE FARM (EF-80)



CHANGE APPLIES TO THE SHADED AREAS AS IDENTIFIED ABOVE

Map Scale is: 1 Inch = 500 Feet

B.O. 15-432