

INDEXED

BEFORE THE BOARD OF COMMISSIONERS FOR THE STATE OF OREGON  
FOR THE COUNTY OF YAMHILL

86-327

SITTING FOR THE TRANSACTION OF COUNTY BUSINESS

FILED  
YAMHILL COUNTY, OREGON  
1986 JUL -9 AM 11:15  
CHARLES STERN  
COUNTY CLERK  
DEPUTY

In the Matter of an Ordinance )  
Amending the Yamhill County )  
Comprehensive Plan, 1974, to )  
Allow an Expansion of the )  
Urban Growth Boundary of the )  
City of Sheridan to Include )  
136 Acres Owned and Utilized ) ORDINANCE NO. 432  
by the City of Sheridan for )  
Sewage Treatment and Approxi- )  
mately 181.5 Acres Identified )  
by the Federal Bureau of Pri- )  
sons to Accommodate Construc- )  
tion of a Federal Prison Com- )  
plex, Planning Docket G-7-86, )  
and Declaring an Emergency )

THE BOARD OF COMMISSIONERS OF YAMHILL COUNTY, OREGON (the Board), on July 9, 1986, sat for the transaction of county business in special session, Commissioners Donald D. Porter, David E. Bishop and Ted Lopuszynski being present.

WHEREAS, the City of Sheridan has applied to the Department of Planning and Development in order to expand its Urban Growth Boundary to include a 136 acre parcel owned and utilized by the City of Sheridan for sewage treatment and an approximately 181.5 acre parcel identified by the Federal Bureau of Prisons to accommodate construction of a federal prison complex (hereinafter "application"); and

WHEREAS, pursuant to Rules adopted July 26, 1986, under authority of Board Order 79-258, a joint session of the Planning Commissions of Yamhill County and the City of Sheridan was held on April 16, 1986 to consider said application at a public hearing; and

WHEREAS, on April 16, 1986, both planning commissions unanimously recommended approval of the application and recommended that their respective governing bodies amend the Sheridan Comprehensive Plan, 1980, and the Yamhill County Comprehensive Plan, 1974, to amend the urban growth boundary as requested; and

WHEREAS, on May 22, June 17 and June 26, 1986, the Board and the Sheridan City Council held a joint public hearing on the application; and

WHEREAS, on June 26, 1986, the Board and the Sheridan City Council independently voted unanimously to grant the application and directed staff to prepare findings of fact and conclusionary findings in support of such approval; and

WHEREAS, staff has prepared findings of fact and conclusionary findings for approval and based upon such findings attached hereto as Exhibit "A", and by this reference incorporated herein, it appears appropriate to grant the application of the City of Sheridan as set forth above; and

WHEREAS, in order to approve this request, an exception must be taken to Statewide Planning Goal 3 and based upon the findings for an exception to Goal 3 included in Exhibit "A", the Board finds that it would be appropriate to take such an exception; and

WHEREAS, Statewide Planning Goal 14 requires that the procedures and requirements of Goal 2 for goal exceptions be followed when an Urban Growth Boundary is amended to include rural land, and the findings set forth in Exhibit "A" demonstrate compliance with Goal 14; and

WHEREAS, because a public need exists to provide a diversified employment structure in the western portion of Yamhill County in order that the City of Sheridan, the City of Willamina, and other portions of Yamhill County can have a more stable economic base, and in order to replace jobs lost in agricultural and forest industries, an amendment to the Yamhill County Comprehensive Plan, 1974, and an amendment of the Sheridan Urban Growth Boundary are in the best interests of the citizens of Yamhill County, NOW THEREFORE,

THE YAMHILL COUNTY BOARD OF COMMISSIONERS ORDAINS AS FOLLOWS:

Section 1. Based upon the findings of fact and conclusionary findings attached hereto as Exhibit "A", and by this reference incorporated herein, the Yamhill County Comprehensive Plan, 1974, is hereby amended as follows:

- (a) To allow the expansion of the Urban Growth Boundary of the City of Sheridan to include a 136 acre parcel owned and utilized by the City of Sheridan for sewage treatment, and an approximately 181.5 acre parcel identified by the Federal Bureau of Prisons to accommodate construction of a federal prison complex as more particularly identified on the attached map identified as Exhibit "B" and incorporated herein by this reference; and
- (b) To designate the parcels referred to in this section as "Future Urbanizable" on the Yamhill County Comprehensive Plan Map.

Section 2. That based upon the findings of fact and conclusionary findings set forth in Exhibit "A" and by this reference incorporated herein, an exception is hereby taken to Statewide Planning Goal 3 to allow inclusion of the subject parcels referred to above into said expanded Urban Growth Boundary and that said exception shall be incorporated into and become part of the Yamhill County Comprehensive Plan.

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, shall become effective upon passage hereof.

DONE at McMinnville, Oregon this 9th day of July, 1986.

ATTEST:

YAMHILL COUNTY BOARD OF COMMISSIONERS

CHARLES STERN  
County Clerk

Donald D. Porter  
Chairman

DONALD D. PORTER

Date: July 9, 1986

By: Elaine Pearcey  
Deputy ELAINE PEARCEY

David E. Bishop  
Commissioner

DAVID E. BISHOP

Date: July 9, 1986

APPROVED AS TO FORM BY:

John M. Gray, Jr.  
JOHN M. GRAY, JR.  
Yamhill County Counsel

Ted Lopuszynski  
Commissioner

TED LOPUSZYNSKI

Date: July 9, 1986

**I. UGB AMENDMENT CRITERIA**

The City of Sheridan and Yamhill County have adopted an Intergovernmental Agreement to govern the management and change of the acknowledged Sheridan UGB. This section contains findings to address the seven factors for a UGB amendment set forth in the Intergovernmental Agreement and LCDC Goal 14 (Urbanization). It was and is the intent of the City and County that the criteria of the Intergovernmental Agreement are the same as the Goal 14 Criteria.

**Factor 1: Demonstrated need to accommodate long-range urban population growth requirements consistent with LCDC goals.**

**Findings:** The City Council and Board find that:

The City of Sheridan and western Yamhill County have a need to provide non-seasonal diversified employment opportunities in order to have a more stable economic base and to replace jobs lost in the agricultural and forestry industries. The loss of jobs in the agricultural and forestry industry over the last several years has caused economic distress, out-migration, contributed to the deterioration of existing housing stock, increased the demand upon public and private charities, and has caused wide-spread anxiety throughout the community. The amendment of the Urban Growth Boundary and the proposed federal prison project to be constructed and operated at that location provides a feasible option for satisfying these demonstrated needs.

Further, the Bureau of Prisons has demonstrated the need for a federal correctional facility in the northwestern region of the United States. This correctional facility will primarily house federal prisoners from the northwestern United States, including Oregon. To the extent that there is a federal need for housing these prisoners in the northwestern United States, there is, to some extent, a demonstrated need for this type of facility for Yamhill County and the State of Oregon, since federal prisoners

from any of these jurisdictions may be sent to such a federal facility.

The present population of Sheridan is under-employed and the employment opportunities for the community's youth are negligible. The federal prison project should stimulate the local and regional economy and provide employment opportunities to accommodate the projected long-range urban population growth requirements of the city and the vicinity.

The City Council and Board of Commissioners find that there has been a major restructuring of the economies of the Sheridan area and the western Willamette Valley in that the growth of jobs in and related to agricultural and forestry activities will be slow compared to the growth of jobs in those sectors in the 1970s, if there is any growth at all. As a result, in order to support the same or a growing population, the economy must diversify out of its dependence on agricultural and forestry jobs. The new jobs will be located in urbanized areas.

Findings throughout this document support the conclusion that the UGB/Plan Amendment is needed to accommodate long-range urban population growth requirements, consistent with LCDC goals. All those findings are incorporated herein by reference. Additional findings include:

- o The Sheridan Comprehensive Plan and UGB were acknowledged by LCDC in 1980.
- o The present UGB includes 1,241 acres; approximately 870 acres are within the city limits.
- o The existing UGB was designed to accommodate a projected year 2000 population of 4,437 people.

- o The amount and location of land included within the acknowledged UGB was based upon assumptions of continued growth in agriculture and wood products sectors.
- o Expansion of the sewage treatment facilities is necessary to accommodate the federal prison project.
- o Sheridan and Yamhill County experienced fairly continuous population growth between 1960 and 1980. From 1981 through 1983, the recession and downturn in the timber and wood products industries slowed population growth; and in 1983, both Polk and Yamhill Counties experienced reverse migration.
- o Attempts by local groups to attract new and diversified employment to the Sheridan area have been unsuccessful except for the federal prison project.
- o In 1979, manufacturing accounted for 34% of total employment in Polk and Yamhill Counties. In this economic sector, lumber and wood products jobs represented 43% of manufacturing employment and 15% of total employment in the two counties.
- o Reductions in these manufacturing jobs, basic to the economic structure of the region, have resulted in a 37% decrease in total payrolls attributable to lumber and wood products employment.
- o The Bureau of Prisons did not begin exploring options for construction of a federal prison in the Sheridan area until 1983. Therefore, the land needs of the Bureau were not considered when the initial UGB was acknowledged in 1980.
- o The inmate population of the Bureau of Prisons has been increasing at an unprecedented rate. The present inmate population is approximately 49% over the combined rated capacities of existing federal prisons.

- o There is no federal correctional facility in the northwestern United States. Existing federal correctional facilities closest to the northwest region are located in Pleasanton, California and Englewood, California.
- o At the present time, 650 inmates sentenced in federal courts in Oregon, Washington and Idaho are housed in Bureau of Prisons facilities located elsewhere in the United States.
- o The Bureau projects that the number of sentenced offenders from the Pacific Northwest requiring confinement will increase to 700 inmates in 1995.

**Factor 2: Need for housing, employment opportunities and livability.**

**Findings:** The City Council and Board find:

The UGB change and Plan Amendment is needed to increase employment opportunities, improve income stability, enhance livability, and promote the maintenance and construction of adequate housing. The findings under Factor 1 are incorporated herein by reference. The basic plan elements for housing and other urban services are in-place; this UGB change and Plan Amendment addresses the structural change in employment opportunities in the area. It also provides for a major improvement in water and fire services in the city while providing water and fire flows to the UGB amendment area.

Without an expanded and diversified job base, there will be unused service capacity, unused housing, and deterioration of existing housing, and inefficient use of existing urban facilities, including schools and roads.

A major negative effect on the city's livability has been the community's anxiety over its future as a result of the economic problems besetting the agricultural and forestry industries. This

change to the Urban Growth Boundary and the construction of the proposed federal prison will provide a positive focus for the city's future.

A non-inclusive list of findings supported by the record include:

- o The acknowledged Sheridan Comprehensive Plan was based upon projections of continued population and employment growth experienced during the 1970s.
- o Since 1979, employment in the wood products industries has declined.
- o In order to remain a healthy and viable community, these lost jobs must be replaced.
- o An economy that is dependent upon a narrow range of industrial sectors is generally more susceptible to economic disruption than an economy with a diversified industrial base. It is to the Sheridan area's advantage to diversify its industrial base.
- o The federal prison offers economic diversification in the form of 300 stable, well-paying jobs in the federal employment sector of the economy. The addition of 300 federal jobs to the regional economy would bring a total employment increase of 1.25%, and an annual payroll boost of 2.64%.
- o Approximately 37,559 year-round housing units are located in Yamhill and Polk Counties, of which 2,570 are located in the Sheridan-Willamina area. Approximately 200 vacant houses are located in the Sheridan-Willamina area.
- o As of August of 1985, 37 houses in the Sheridan-Willamina area were in government ownership as a result of foreclosure action by the U.S. Farmers Home Administration or Oregon's Department of Veterans Affairs.

**Factor 3: Orderly and economic provision of public facilities and services.**

**Findings:** The City Council and Board find:

The area included within the Sheridan UGB can be served with public facilities and services in an orderly and economic fashion. The City property included in this UGB Amendment is already subject to existing urban activities as the City sewage treatment facility.

Utilization of public roads which are currently operating well below design capacities will maximize the existing public investment in the local transportation network.

Waste water from the prison complex can be efficiently and economically conveyed by gravity to the adjoining City property and treated and disposed of in conjunction with the City's established system. No other potential location provides access to the combination of public services of roads, sewer and water available at this site.

Adequate water supply sources are available to accommodate both the projected year 2010 population and the needs of the federal correctional complex. Implementation of water system improvements will upgrade the fire protection system for all city residents. The amendment to the urban growth boundary and the construction of the federal prison provides the City with an opportunity to leverage the economic development potential of the prison project to secure funding for infrastructure improvements. The inmates at the federal prison are considered residents of the city for purposes of the state gas tax allocation which can be used for road improvements within the city.

A non-inclusive list of findings supported by the record include:

- o Access to the site is provided from Ballston Road (County), which is served by an overpass/interchange at State Highway 18.
- o No off-site transportation modifications or improvements will be required to accommodate construction of the federal prison.
- o Adjacent roads are currently operating well below design capacities.
- o The correctional facility complex at the subject location would have no significant impact on existing traffic conditions.
- o Curran-McLeod Inc., Consulting Engineers, have completed a Water/Sewer Feasibility Plan for the City of Sheridan. The plan contains a summary of infrastructure needs to accommodate a projected population in the year 2010 of 4,190 people. This plan is the blueprint for the orderly and economic provision of public facilities and services for sewer and water. Sewer and water are the only public services not readily available at the site.
- o The projected total water system demand in the year 2010 is 1,365 gpm. A total of 1,976 gpm of water will be available from developed sources. In addition to these sources, an intertie with the McMinnville water system and a consortium of local water systems may provide additional sources of water.
- o Existing transmission mains from the water storage reservoirs through the city on Bridge Street are woefully inadequate for fire protection at the High School or downtown buildings.
- o Construction of a 14-inch main from the reservoirs to Ballston Road will improve water service to the south side of Sheridan and will dramatically improve fire flows in the downtown area.

- o Waste water from the prison complex can be easily and efficiently conveyed by gravity to the City property. Marginal costs for sewer improvements would increase for sites more distant from the sewage lagoons.
- o The existing sewage lagoon system is adequate to accommodate the existing and projected needs of the City. Two additional lagoons, a 21-acre primary cell and an 8-acre secondary cell, would be constructed to accommodate the treatment and disposal of prison waste waters.
- o It is projected that 80 acres are needed for waste water irrigation. Sufficient and appropriate land area is included within the UGB Amendment to accommodate construction of new lagoons and also maintain opportunities for future spray irrigation of treated effluent.
- o Fire protection services from the Sheridan Rural Fire Protection District will be adequate to service the federal prison complex.
- o Both Sheridan and Willamina schools are currently operating below design capacities. An increase in student enrollment will result in a more efficient and economic use of existing school facilities.

**Factor 4:** Maximum efficiency of land uses within and on the fringe of the existing urban area.

**Findings:** The City Council and Board find:

The maximum efficiency of land uses within and on the fringe of the existing urban area can be obtained as a result of the urban growth boundary amendment and comprehensive plan change. The City's sewage disposal facilities and the federal prison are unique land uses which require buffering from other urban uses. Part of the City land is already committed to urban uses as a

sewage treatment facility. Expansion of the treatment facility at the same location is both efficient and economical. The UGB amendment will maximize land use efficiency by maintaining a separation between urban land uses to the north of Highway 18 and the public facilities land uses appropriate to the south of the highway. The City sewage treatment lagoon provides a buffer between the prison and the highway and therefore provides part of the buffering area that would otherwise have to be accommodated within the prison grounds. This reduces the prison's needs from 200 to 180 acres.

In addition, the location of the prison near the existing intersection of Ballston Road and Highway 18 provides adequate direct access to the prison project by the shortest possible route and without congesting roads in commercial and residential areas. No transportation system improvements are required to accommodate the new land uses.

A non-inclusive list of findings supported by the record include:

- o Despite its proximity to urban development and necessary support facilities and services, the site is effectively separated from concentrated urban development by the major barrier of State Highway 18.
- o All future urban residential, commercial and industrial development will continue to be directed to the north of the Highway.
- o The UGB extends south of the highway only to encompass the limited public facility and institutional uses of the City's sewage lagoons and the correctional facility.

**Factor 5: Environmental, energy, economic and social consequences.**

**Findings:** The Council and Board find:

Many of the environmental, energy, economic and social consequences have been set forth under Factors 1 through 4 and therefore are incorporated herein by reference. The adverse environmental consequences are negligible in that there is no showing of any long-term adverse impact on air quality, water quality, or wildlife habitat. The expansion of the sewage lagoons for disposal of sewage effluent in accordance with DEQ standards will have positive impacts on the environment.

Development of the federal prison and expansion of the sewage lagoons will have a significant and positive impact on the economy of the Sheridan area, region and state. The project offers economic diversification in the form of 300 stable, well-paying jobs. The infusion of these permanent jobs will provide a long-term boost to the economy.

Social consequences of this change are also positive. New jobs, increased tax revenues and economic diversification will make a valuable contribution to the city and county residents.

A non-inclusive list of findings supported by the record includes:

- o The Oregon Department of Environmental Quality (DEQ) has established noise control regulations for new sources at a previously undeveloped site. The prison must adhere to these regulations, which include both traffic and on-site prison operations.
- o Some temporary air quality impacts may result during construction activities. No long-range impacts to particulate levels are anticipated during facility operation. The facility will be heated with natural gas and there will be no incinerators on-site.

- o DEQ water quality records indicate that:
  - a. The South Yamhill River can be treated to meet safe drinking water standards.
  - b. No harmful concentrations of chemicals are likely to access the Sheridan River intake under normal circumstances.
- o When all water sources identified in the Water/Sewer Feasibility Plan are developed, 900 gpm summer withdrawals from the South Yamhill River are not necessary.
- o On-site energy requirements will remain the same regardless of the facility location. Adequate supplies of natural gas and electricity are available to the site. The proximity of the site to the sewage lagoons and an improved transportation system will minimize energy costs associated with infrastructure improvements.

Additional economic impacts of the project include:

- a. A project budget of \$48 million is estimated for facility construction.
- b. Forty-one local construction jobs would be generated in 1986, 144 in 1987, and 136 in 1988.
- c. Construction employment is expected to generate \$6,991,600 in local purchases over the entire construction period.
- d. Local purchases of materials throughout the construction period total \$5,150,092.
- e. An annual payroll of \$7.5 million is estimated once the facility becomes operational.
- f. The increased level of spending in the local economy will contribute to an increase in the number of indirect and induced jobs.

- g. Total Oregon tax receipts which are estimated to be paid to the State during project construction are \$1,260,546. During the operational phase, total income tax receipts per year are estimated to be \$530,439.
- o Net quantified benefits accruing to the area from the location of the federal prison are projected to be in the range of \$8.6 to \$10.48 million a year.
- o The federal prisons in other communities had a neutral or positive social impact on their community.

**Factor 6:** Retention of agricultural land as defined, with Class I being the highest priority for retention and Class VI the lowest priority.

**Findings:** The Council and Board find:

Agriculture is an important component of the local economy and the Council and Board are committed to the retention of agricultural land. An examination of land in the vicinity of Sheridan, Willamina and Grand Ronde indicates there are no lands within the urban growth boundaries suitable for the proposed prison complex. There are also no sites with a lower class soil that could accommodate the prison project. The south boundary line of the prison was specifically drawn to avoid Class I soil. There are no sites outside the UGB that would avoid Class I through IV soils. Given the lack of alternatives sites that could accommodate the use combined with the factor that any location outside the UGB would include Class I through IV soils, this is the best site to meet the needs of the Bureau of Prisons and the needs of the city. While the City and County would prefer to retain all agricultural land in agricultural production, the statewide planning goals implicitly provide for a "balancing" of different goal objectives. The economic benefits to be derived from the

project at this specific location clearly outweigh the economic and public loss associated with the conversion of agricultural land.

The City land is already partially committed to urban use as sewage treatment facilities. The remaining City land is needed for expansion of the sewage treatment facilities and spray irrigation.

A non-inclusive list of findings supported by the record include:

- o The bulk of the area included within the UGB Amendment is productive agricultural land. Approximately 36 acres of the City property is committed to the sewage lagoons.
- o Soils are predominantly SCS Capability Class II, with smaller pockets of Class I, III and IV soils.
- o Approximately 95% of the land within the existing UGB consists of Class I-IV soils. It would be virtually impossible to expand the Sheridan UGB and not impact Class I-IV soils.
- o The Water/Sewer Feasibility Plan identifies that approximately 30 acres will be required to accommodate expansion of the sewage lagoons and 80 acres reserved for spray irrigation of effluent.
- o The Bureau of Prisons initially identified a need for a 200-acre site. Because of the location of the City sewage lagoons adjacent to the proposed prison site, an assured buffer is provided and the amount of agricultural land included in the amended UGB has been reduced by approximately 20 acres.
- o The Yamhill County Soil and Water Conservation District, charged with the wise management of soil and water resources, has reviewed this Amendment and commented that the removal of this land from the agricultural base would be acceptable.

**Factor 7:** Compatibility of proposed urban uses with nearby agricultural activities.

**Findings:** The Board and City Council find:

The sewage treatment facilities and the federal prison project are compatible with nearby agricultural activities. The City currently operates a sewage treatment facility on part of the subject property and has done so without interference with agricultural activities. The actual prison facilities will be surrounded by vacant land owned by the Bureau of Prisons as part of the buffer incorporated into the design of the facility. Because of this buffer, there should be no interference with agricultural activities. In fact, the Bureau of Prisons prefers to abut agricultural activities because of compatibility compared to residential, commercial or industrial uses. The Bureau of Prisons intends to lease out part of its property for continued agricultural use until actually needed for prison facilities. The UGB lines were drawn in order to leave parcels outside the UGB large enough for continued agricultural activity. The specific urban uses are self-contained and do not exhibit characteristics of land uses which typically present compatibility problems with agriculture, most notably suburban residential development.

A non-inclusive list of findings supported by the record include:

- o The sewage lagoons have co-existed with agricultural activities for many years. The City has leased undeveloped portions of their ownership for agricultural production with no harmful effects on either use.
- o The UGB Amendment was drawn with consideration for compatibility with agricultural uses. Public facility uses of the prison and

sewage lagoons will be separated from agricultural lands by Ballston Road and Greencrest Cemetery on the west and the railroad on the east.

- o Delineation of the southern boundary for the UGB was based upon avoidance of Class I soils, and also provided for the maintenance of manageable blocks of agricultural parcels (49.29 acres; 58.42 acres) outside of the amended UGB.
- o As documented by the coexistence of the State prison and agricultural activities in Santiam Pass, correctional facilities and agriculture are compatible uses.

LCDC Goal 14 (Urbanization) states: "In the case of a change of a boundary, a governing body proposing such change in the boundary separating urbanizable land from rural land, shall follow the procedures and requirements as set forth in the Land Use Planning Goal (Goal 2) for goal exceptions."

The purpose of this section is to address the Exception Criteria set forth in Goal 2, Part II as amended by the 1983 Oregon Legislature and implemented by the Department of Land Conservation and Development through OAR 660-04-000.

1. Reasons justify why the state policy embodied in the applicable goals should not apply.

**Findings:** The City Council and Board find:

OAR 660-04-010(1)(B)(i) states that this standard can be satisfied by compliance with the seven factors of Goal 14. Goal 14 requires that a change of the urban growth boundary shall be based upon consideration of seven factors. The facts, consideration, and conclusions regarding those seven factors were presented in Section I of these findings.

However, even if compliance with Goal 14 by consideration of the seven enumerated factors did not satisfy this standard, reasons justify why the state policy embodied in the applicable goal should not apply.

In this case, a portion of the land to be included in the UGB consists of land already committed to urban uses as the waste water treatment facility, for the City of Sheridan. An exception to Goal 3 has already been granted for this portion of the area. Goal 3 is the applicable goal for the remainder of the area since that area consists of Class I through IV soils. The policy embodied in Goal 3 is that agricultural lands should be preserved and maintained for farm use. Goal 3 also embodies a state policy

for the conversion of rural agricultural land to urbanizable land based upon the consideration of five specific factors. Those factors are essentially the same as the factors required to be considered under Goal 14 and Goal 2.

There are two primary reasons why the Goal 3 criteria of retention of agricultural land should not be applied to this property. First, there has been a fundamental change in the economy of Oregon, and in Yamhill County and Sheridan in particular. The primary industries of agriculture and forestry have receded and are never expected to rebound to their former significance. The reduction of jobs in this primary sector of the economy and the forecast for little or no growth or even further reduction, increases the need for diversification into non-seasonal, non-forest-related activities. These factors were not a consideration when the urban growth boundary was originally drawn, but the change in the economy has demonstrated the need for additional urbanizable land in order to accommodate and promote a job base that can no longer rely upon forestry and agriculture.

Second, the site-specific features of this property, such as its proximity to the sewage facilities and the interchange between Highway 18 and Ballston Road, combined with the fact that this particular use can take advantage of the buffering created by the sewage lagoon and the highway without any adverse environmental impact makes this site uniquely suitable for conversion to non-agricultural uses.

As discussed elsewhere, regarding alternative sites, strict application of Goal 3 would preclude the establishment of a federal correctional facility in the Sheridan area. Given the benefits of this project and its relationship to state and local economic development policies and the demand for this type of facility in this area as a matter of federal policy, failure to modify the urban growth boundary would have the effect of defeating local, regional and federal policy but would have little

impact on local, regional or national agricultural production.

**2. Areas which do not require a new exception cannot reasonably accommodate the use.**

**Findings:** The City Council and Board find:

No areas which are either inside an urban growth boundary or are in an area which has already been granted an exception could reasonably accommodate the proposed uses. As noted elsewhere, an exception was granted for the present sewage treatment facilities. For practical reasons, any new sewage treatment facilities must be located adjacent to the existing facilities. The City-owned land was purchased for the purpose of expanding the present facilities and for the purpose of spray irrigation should that become a requirement in the future.

With regard to the Bureau of Prisons' facility, the Delphian School, located in the hills northwest of Sheridan, was initially considered for potential conversion to a prison facility. This school is located in an acknowledged exception area. After considering this site, the Bureau of Prisons concluded that the Delphian School site was too small and the expense to renovate the building to meet prison standards was too high. There were no other sites within exception areas or the existing urban growth boundary that met the Bureau of Prisons' requirements (200 acres, relatively flat, with a willing seller, buffered from development, with access to improved roads and urban facilities and services, relatively close to I-5 and the Portland metropolitan area.) The PADS identified two sites within the McMinnville Urban Growth Boundary as potential sites. Those sites are outside of the vicinity. For purposes of this consideration, the vicinity is considered the Sheridan, Willamina and Grand Ronde area. This area was identified by the County and the State as an economically lagging area, and so designated. The economic lagging area does not include the city of McMinnville.

In addition, PADS failed to demonstrate that the particular sites could more reasonably accommodate the proposed use. They failed to determine whether there would be public acceptance of the facility, a key criteria to the Bureau of Prisons, whether the site would conform with the McMinnville Comprehensive Plan, whether the site was adequately buffered from incompatible uses, particularly airport and residential uses, and whether the site could be acquired for the proposed use. PADS also failed to provide any information on the cost of providing public services to the proposed sites and the impact upon other elements of the McMinnville Comprehensive Plan. In addition, a letter from the McMinnville Planning Department demonstrates that the proposed sites are not suitable for the federal prison facility. The information provided by PADS that the McMinnville sites contain no known archaeological sites is not persuasive in light of the fact that the Sheridan site also did not have any known archaeological sites until the extensive examination of the site was undertaken by the Bureau of Prisons as part of the environmental impact study.

In light of the above information, even if it were determined that PADS had provided sufficient information to demonstrate that the alternative sites in McMinnville could more reasonably accommodate the proposed use, examination of the specific circumstances surrounding those McMinnville sites demonstrates that they are not available and would not be suitable for the prison facility.

Although not specifically raised at the hearing, PADS entered into the record information indicating that they considered a site in The Dalles, Oregon as an alternative site. This site was outside of the vicinity in that it is not in or adjacent to the Sheridan, Willamina or Grand Ronde Urban Growth Boundary and outside the Yamhill County/State of Oregon designated economic lagging area, and also outside of Yamhill County. In addition, PADS provided even less information on this site than they did on the

McMinnville sites. Camp Adair was first mentioned in rebuttal portion of the hearing by opponents of the Sheridan site, and therefore was out of order and not properly before the Council and Board. On neither The Dalles site nor the Benton County site was there specific information from which to determine that the alternative sites would more reasonably accommodate the proposed use. Their distance from I-5 and the Portland metropolitan area, along with the other factors mentioned above, also preclude their consideration as an alternative site.

3. 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.

**Findings:** The City Council and Board find:

- o The long-term environmental, economic, social and energy consequences resulting from the correctional facility use at the proposed site are thoroughly addressed in the Final EIS. Alternative sites identified as Sites A through F in the Final EIS and Sites 4 and 5 identified by PADS were evaluated.
- o The topography of Site A and Site B presented problems for construction of the new generation of minimum-medium security federal correctional facilities. Clearance of wooded areas of Sites A and B would have resulted in significantly more adverse environmental impacts. Economic costs associated with access, sewer and water improvements to Sites A and B would also have been significantly higher than anticipated costs for improvements to the subject site.
- o Site C was bordered by a number of residences and additional development is projected for this area. Buffering would consequently be more difficult to accomplish at Site C than at the

subject site south of the highway. Economic costs associated with construction of new sewerage and water lines, and improvements to access roads, would be significantly higher at Site C than anticipated costs for comparable improvements to the subject site.

- o Site D was eliminated from further consideration because of the environmental consequences associated with the floodplain. Additionally, because of the abandonment of the Steel Bridge, Site D is relatively isolated from the facilities and services of Willamina.
- o Site E did not meet the Bureau's minimum acreage requirement. Additionally, the site did not have convenient access to the highway and was not buffered from the highway.
- o Site F had many similarities to the subject site. However, economic costs associated with the greater distance to the waste water facilities would have been higher at this location. Additionally, Site F is bisected by a drainage swale, and development consequently would have resulted in more environmental disturbance.
- o Representatives of PADS submitted information on two additional sites (#4 and #5) in the Sheridan area which would also require a goal exception. Soils on Sites 4 and 5 are less productive, based on SCS Soil Capability Classifications, than soils on the subject site. However, the economic and energy consequences associated with access improvements and the marginal costs associated with the greater distance to the waste water lagoons are significantly higher at Sites 4 and 5.

The long-term environmental, economic, social and energy consequences resulting from the prison and expanded sewage lagoons at the proposed site, with implementation of mitigation measures

specified in Section IV of the Final EIS are not significantly more adverse than would typically result from the same proposal being located at Sites A, B, C, D, E or F.

The primary factors which make use of the proposed site preferable are:

1. Existing access is adequate and no off-site improvements are required. Minor traffic impacts on developed neighborhoods.
  2. Proximity to sewage lagoons; efficient and economical to convey waste water by gravity to City property.
  3. Use of City property for buffer reduces the amount of productive agricultural land included in the UGB.
  4. Construction of a 14" water line from City reservoirs to this site will have a community-wide benefit and dramatically improve fire flows to the downtown area.
4. The proposed uses are compatible with other adjacent uses or will be so rendered through measures designed to reduce adverse impacts.

**Findings:** The proposed uses of the federal prison and sewage lagoons are separated from urban development to the north by State Highway 18. The site is separated from agricultural lands to the east by the railroad; and separated from agricultural lands to the west by Greencrest Cemetery and Ballston Road.

- o There are relatively few residences located adjacent to the site. Mitigation measures proposed to minimize the impacts of the prison on nearby residents are presented in Section IV of the Final EIS.

- o Facilities will be sited to minimize or avoid entirely the disturbance of Class I soils. Additionally, the Bureau is committed to the concept of a leaseback arrangement to continue agricultural activities on 50-55 acres of the undeveloped buffer area.
- o The UGB line was drawn to maintain the viability of agricultural parcels to the south of the site. No new substandard parcels are created with this UGB amendment.
- o Experience at the State correctional facility at Santiam Pass indicates that farming and correctional facilities are compatible uses.

The sewage lagoons and prison uses are separated from incompatible urban development by the major barrier of Highway 18.

The Bureau has committed to mitigation measures which will reduce adverse impacts on adjacent residential development. Additionally, the Site Design Review process will provide an opportunity for refinement of these mitigation measures.

Impacts on adjacent agricultural uses will be minimized by the presence of the physical barriers of the railroad on the east and the cemetery and Ballston Road on the west. Leaseback of undeveloped buffer areas will maintain productivity and compatibility with agricultural operations to the south of the site.

### III. CITY OF SHERIDAN COMPREHENSIVE PLAN

The Land Conservation and Development Commission (LCDC) acknowledged that the City of Sheridan Comprehensive Plan was in compliance with the Statewide Planning Goals in July of 1980. The Yamhill County Comprehensive Plan was acknowledged by LCDC in June of 1980.

A change of the acknowledged Urban Growth Boundary is considered an amendment to both the City and County Comprehensive Plans. Therefore, this amendment has been reviewed for consistency with the goal and policy direction provided in the City of Sheridan and Yamhill County Comprehensive Plans.

Each goal in the Sheridan Comprehensive Plan is supported by numerous policies which provide more specific direction and guidance for compliance with the goal. The following is a listing of each goal and appropriate policies, with facts and conclusions provided to explain why the UGB change and Plan Amendment is consistent with the goal or policy. Policies contained in the Plan but not referenced here are not considered applicable to the Amendment.

#### 1. CITIZEN INVOLVEMENT

**Goal 1: To maintain a Citizen Involvement Program that ensures the opportunity for citizens to be involved in all phases of the planning process.**

**Findings:** The City Council and Board of Commissioners find:

The CIP has been maintained and followed and there have been numerous opportunities for citizen involvement in all phases of the subject UGB/Plan Amendment process, consistent with the Citizen Involvement goal.

- o Individual notices were mailed to property owners within 300 feet of the site boundaries prior to the Joint Planning Commission hearing and the Joint City Council/Board of Commissioners hearing.

- o Advanced notices of all public hearings were published in the Sheridan Sun and News Register.
- o Hearing notices were also posted at City Hall.
- o The local newspaper, the Sheridan Sun, provided extensive coverage of the UGB/Plan Amendment hearings throughout the process.
- o An extensive record, consisting of 140 exhibits, has been compiled on this UGB/Plan Amendment.
- o Outside of the land use hearings process, the City Council and Board of Commissioners held public meetings to solicit public input on the proposed prison project.
- o The Bureau of Prisons conducted a parallel effort to ensure citizen involvement and participation in the Environmental Impact Statement process. A scoping meeting was held on November 14, 1986 to define the issues to be considered in the Draft EIS and a public hearing was held on March 18, 1986 to receive comments on the published Draft EIS.
- o The Bureau has responded to all public comments received with publication of the Final EIS.
- o The Sheridan-Willamina Prison Task Force conducted well-publicized, open meetings as a component of the site identification and evaluation process. Efforts were underway in the summer of 1985 to identify a site suitable for the location of a federal prison in the Sheridan-Willamina area. All citizens had the opportunity to bring sites forward for consideration at that time.

**Policy 1:** The City shall employ a variety of methods of informing citizens and obtaining their opinions and attitudes on matters relating to the planning process.

**Findings:** The City Council and Board of Commissioners find:

A variety of methods, including individual notice, newspaper notice, posted notice, and extensive media publicity and coverage of meetings and hearings were used to inform citizens and obtain their opinions and attitudes on matters relating to the land use process. This multi-faceted approach has resulted in an open and informative land use process.

## **2. LAND USE PLANNING**

**Goal 1: To establish a land use planning process and policy framework as a basis for all decisions and actions related to the use of the land and to assure an adequate factual base for such decisions and actions.**

**Findings:** The Board and City Council find:

The Board and City Council have used the policy framework provided by the acknowledged Yamhill County and City of Sheridan Comprehensive Plans to provide the basis for consideration of the subject UGB/Plan Amendment.

The factual base for this decision is provided by:

- o The acknowledged Comprehensive Plans of Sheridan and Yamhill County.
- o The Environmental Impact Statement prepared by Louis Berger & Associates on behalf of the Federal Bureau of Prisons.
- o The Urban Growth Boundary and Comprehensive Plan Amendment Report prepared by Benkendorf & Associates on behalf of the City of Sheridan.

- o The Water/Sewer Feasibility Plan prepared by Curran-McLeod, Inc., Consulting Engineers, on behalf of the City of Sheridan.
- o Letters, exhibits and testimony submitted at public hearings. The hearing record consists of 140 exhibits, including letters from several state agencies.
- o A substantial factual base has been compiled and substantiates the decision to approve the UGB Amendment and Comprehensive Plan Amendment.

**Policy 1:** The City shall review the Comprehensive Land Use plan and all supporting documents at least every five years to ensure that a factual basis for planning decisions is maintained. All plan review shall be undertaken consistent with the Statewide Citizen Involvement Goal and with the City's Citizen Involvement Program.

**Findings:** The Board and City Council find:

Sheridan Comprehensive Plan and Ordinances were acknowledged by LCDC in 1980.

- o The City has received notification from DLCD that the periodic review process for Sheridan will begin in July of 1986.
- o The City has received a grant of \$3,900 from LCDC to assist with the plan update process.
- o The City will address the land use issues other than the prison and the sewage treatment facilities during its periodic plan review.

The City of Sheridan has taken a conservative approach with this UGB/Comprehensive Plan Amendment. The only acreage included within the amended UGB is that needed to accommodate the site-specific requirements of the Bureau of Prisons and also to

accommodate an area needed for associated expansion of the City's sewage treatment facilities. Given the pending Comprehensive Plan Update process, the City Council and Commissioners find that a factual basis for planning decisions will be maintained.

### 3. AGRICULTURAL LANDS

**Goal:** To preserve the economic viability of agriculture by preserving prime agricultural land for farming.

**Findings:** The City Council and Board find:

- o Approximately 95% of the land area within the existing UGB consists of SCS Class I-IV soils.
- o The area included within the amended UGB consists of predominantly Class II Amity soils. Smaller pockets of Class I, III and IV soils are also found on the site.
- o Approximately 36 acres of the City property included within the UGB are committed to the existing sewage lagoons. The balance of the approximately 324 acres included within the UGB has most recently been farmed for wheat.
- o Construction and operation of the correctional complex and expansion of the sewage lagoons will result in the loss of existing and potential crop production from this site. Based on a worst-case scenario, 280 acres of wheat crops will be displaced. Using a 1985 wheat yield of 79.9 bushels per acre, 22,372 bushels of wheat per year would be lost in crop production.
- o The value of 22,372 bushels is estimated at \$79,420.60, based on the ASCS 1985 loan rate of \$3.55 per bushel.
- o The worst-case scenario represents .77% of all wheat grown in Yamhill County in 1985.

- o The findings of Section I, Factors 4, 6 and 7 are incorporated herein by reference.
- o The federal government currently pays farmers in Yamhill County to keep <sup>15,293</sup>~~A~~ acres of land fallow.
- o According the 1982 Preliminary Report of the Census of Agriculture for Yamhill County, the total acres of wheat harvested increased from 36,962 acres in 1978 to 39,936 acres in 1982; and the total bushels of wheat harvested increased from 1,466,415 in 1978 to 2,544,321 in 1982.
- o The ASCS Production Adjustment Program alone affected a 30% reduction in acreage planted to wheat in 1985.
- o The Chairman of the Yamhill County Soil and Water Conservation District reviewed the Draft EIS and commented that, although farmland would be removed from the agricultural base, the effects would be acceptable.

The City Council and Board of Commissioners recognize that the UGB Amendment encompasses prime agricultural land. However, the site exhibits several locational factors and characteristics which warrant conversion of the agricultural soils to the urban uses of the Federal Prison and expanded sewage lagoons, most notably:

- a. Location of the sewage lagoons adjacent to the proposed prison site provided opportunities for efficient and economic disposal of prison waste waters. It is most cost-effective from an operational standpoint to maintain all City sewage lagoons at the same location. Marginal costs associated with construction of a sewage collection line increase in direct relation to the distance from the sewage lagoons. The subject site, therefore, is the most efficient site to serve from a sewage standpoint.

- b. Existing transportation facilities available to the site are adequate to accommodate the proposed federal prison development with no significant affect on traffic conditions. Traffic to and from the facility would be channeled onto existing roadways of Highway 18 and Ballston Road/Bridge Street and consequently would not disrupt residential neighborhoods.
- c. Construction of a new 14 inch waterline from the City reservoirs to the federal prison on Ballston Road will dramatically improve fire flows to the downtown area and the High School. Therefore, water system improvements needed to accommodate the prison will benefit a much larger area.
- d. The subject site offers unique opportunities for buffering. The sewage lagoons provide permanent buffering on the north. The City and Bureau of Prisons have negotiated a property transfer agreement which will result in a smaller, contiguous prison site (181 acres) and also maintain opportunities for expansion of the sewage lagoons and land disposal of treated effluent. Major physical features of Greencrest Cemetery and Ballston Road on the west and the railroad on the east provide defined boundaries to urbanization.

The positive impacts which will result from the development in terms of jobs and payrolls will offset the relatively small-scale loss of agricultural jobs, products and income.

The size, location, and parcelization all reduce the amount of prime agricultural land needed for the UGB Amendment.

**Policy 2:** Agricultural land conversion to urban uses shall be done only when adequate public facilities and services are available to the area(s) proposed for development.

**Findings:** The City Council and Board find:

The existing infrastructure of transportation, electrical, telephone, fire protection, police protection and school services available at this location can accommodate the development of the federal prison complex.

Expansion of the city's sewer and water systems to accommodate development of the prison complex at this location is feasible and cost-effective, and will be done in conjunction with the prison project.

Because of the job-creating potential of the prison project, "...the State of Oregon is prepared to take every necessary step to secure funding for sewer and water services to the property."

Adequate public facilities and services are either currently available or, where necessary, will be upgraded in conjunction with the development. The City has an opportunity to leverage the jobs potential of the prison to secure funding of sewer and water improvements to the property.

**Policy 3:** The City shall encourage Yamhill County to restrict commercial and residential development outside the Sheridan Urban Growth Boundary.

**Findings:** The Council and Board find that this policy is not applicable because the amendment of the UGB will bring the proposed development inside the UGB. The expansion of the treatment facilities is not commercial or residential, although the prison facility has residential aspects.

Sheridan and Yamhill County have historically discouraged expansion of the UGB south of Highway 18 to accommodate commercial or residential development. This UGB amendment however, is distinct from past amendments for two primary reasons.

First, only public facility/institutional land uses are proposed south of the highway; associated commercial and residential development is appropriately located to the north of Highway 18 within the existing UGB. Second, the Bureau of Prisons is committed to this site because the property is located near urban development and facilities, yet is buffered from encroaching development by virtue of adjacent agricultural uses and restrictive zoning around the site.

Approval of this UGB Amendment will not establish a precedent for future urban expansion south of Highway 18.

#### **4. OPEN SPACES, SCENIC AND HISTORIC AREAS, AND NATURAL RESOURCES**

**Goal 1: To conserve open spaces, and preserve natural, scenic and cultural resources.**

**Findings:** The City Council and Board find:

The City property and the proposed prison site are not identified or designated as a significant open space, natural or scenic area.

Prior to preparation of the EIS for the proposed prison project, the site was not identified as a significant cultural resource. As a component of the EIS, the most extensive archaeological survey carried out in Yamhill County within 40 years was conducted on-site.

A total of seven prehistoric archaeological sites or surface concentrations of artifacts and a number of isolated prehistoric artifact finds were observed and recorded within the project boundaries.

Based upon the archaeological survey, the cultural resources identified on the subject site are potentially significant and should be conserved. The Board and Council recognize the Bureau's commitment to avoid disturbance of the identified sites as a method to ensure compliance with the City's open space, scenic and historic areas and natural resources. Specific measures to conserve these sites will be addressed in the zoning and development process.

**Goal 2: To preserve significant historic landmarks, sites and structures.**

**Findings:** The City Council and Board find:

Standing structures within the project area include the Evans house, probably built around 1900, and a number of outbuildings. One outbuilding is probably contemporaneous with the construction of the residence while the others represent modern construction. No architectural or historical significance is attributed to any of the structures.

The State Historic Preservation Office (SHPO) reviewed the Draft EIS prepared on the proposed prison project and stated that they had "no comment" on the proposal.

Amendment of the UGB and Comprehensive Plan and subsequent development of the site will not impact significant historic landmarks, sites and structures, except as noted under Goal 1 above; findings of Goal 1 are incorporated by reference.

**Policy 2:** Efforts shall be made to preserve creeks and floodway areas as open space. These areas shall be maintained to provide a natural storm water and drainage system.

**Findings:** The City Council and Board find:

A small area in the northeastern corner of the 181-acre prison site lies within the 100-year flood hazard area. The proposed correctional complex will be sited to avoid development within this flood hazard area.

Expansion of the City's sewage lagoons can be accomplished with construction of flood protection levees. No structures are proposed in connection with the sewage lagoons, so that the City property shall remain open space.

The Bureau intends to implement a stormwater management system that will collect, hold and slowly release runoff so as to not adversely impact downstream properties.

The existing drainage swale will be maintained and will continue to function as an improved, natural drainage system.

**Policy 3:** Sheridan's inventory of historic resources shall be continually updated to include any additional qualifying sites or structures. Special funding sources and incentive programs for restoration and preservation shall be investigated.

**Findings:** The Council and Board find:

The identified archaeological sites are considered as additions to Sheridan's inventory of historic resources.

The City will consider funding sources and incentive programs for preservation of these sites when the property is annexed and rezoned, consistent with the plan policy on historic resources.

**5. FISH AND WILDLIFE RESOURCES**

**Goal 1: To protect and enhance the fisheries potential and the associated wildlife habitat of the South Yamhill River.**

- o The area included within the UGB Amendment does not abut the South Yamhill River or the associated riparian habitat of the river.
- o The site provides habitat for various animals commonly found in the region. On-site habitat evaluation revealed that the site does not contain potential habitat for threatened or endangered species of Oregon or the United States.
- o The findings under this goal, Policy 3, below, are incorporated herein by reference.

The fish and wildlife goal emphasizes the maintenance of wildlife habitat in and around the South Yamhill River. Although the Final EIS does identify wildlife species present in the area included within the UGB amendment, the area does not include significant vegetative cover for wildlife species. The UGB change and Plan Amendment, therefore, is consistent with the City's fish and wildlife goal.

**Policy 3: Ensure that land uses and development does not degrade water quality associated with fish and wildlife habitat.**

**Findings:** The City Council and Board find:

- o The South Yamhill is used as a migratory pathway by two species of anadromous finfish: winter steelhead trout and coho salmon. The area is not primary habitat and is not used as a spawning or rearing ground.

- o Steelhead trout enter the South Yamhill between December and April. The young rear for two years in the upper tributaries and move downstream between March and May. Coho salmon enter the South Yamhill between September and November. The young rear for one year and move downstream between March and May.
- o In 1969, the Oregon State Game Commission recommended minimum flows for fish life at Sheridan to the Oregon State Water Resources Board in the "Willamette Basin Comprehensive Study."
- o The City of Sheridan withdraws approximately 0.7 cubic feet per second (300 gpm) of the 2.0 cubic feet per second (900 gpm) limit to which it holds water rights. Under present conditions, water flow at Sheridan is above recommended minimum flows for fish life.

The additional drain of 1.3 cubic feet per second from the South Yamhill River would still result in flows above the minimum required for fishlife. Historically, low flows have been recorded which were below the recommended flows for fishlife. The recurrence of such dry periods would result in flows below the minimum regardless of the additional draw necessary for the prison complex. Additionally, winter steelhead trout and coho salmon are not known to migrate through this portion of the South Yamhill River during August, the critical low-flow month.

**Policy 4:** When in the best interest of the community, support the Oregon State Department of Fish and Wildlife efforts to enhance the fishery potential of the South Yamhill River.

**Findings:** The City Council and Board find:

- o Jim Haxton, Fish Biologist with the Oregon Department of Fish & Wildlife (ODF&W), provided input to the EIS on the fisheries issue.

- o ODF&W will have an opportunity to participate in the City of Sheridan plan update process during the summer of 1986.

The City has and will continue to cooperate with the ODF&W through the vehicle of the City's adopted plan policy.

## 6. WATER RESOURCES

**Goal 1: To protect Sheridan's water quality by compliance with State and Federal water quality standards.**

**Findings:** The City Council and Board find:

- o The quality of the water must not exceed the Maximum Primary and Secondary Contaminant Limits set by EPA and the State of Oregon. In addition, the Maximum Contaminant Level (MCL) for normal organic chemicals and bacteria must not be exceeded.
- o Tests on the City's current water sources indicate there is no difficulty meeting these quality requirements provided:
  1. South Yamhill River water is filtered and disinfected before use; and,
  2. The Stony Mountain Spring water sources are disinfected before use.

The City's water resource base can be upgraded without compromising compliance with State and Federal water quality standards. Specific design elements, notably Granular Activated Carbon filter media, will be included in the design of any expanded City water filtration facility to assure continued compliance with water quality standards.

**Goal 3: To assure an adequate and safe future water supply.**

**Findings:** The City Council and Board find:

An adequate and safe future water supply is assured, as summarized in the following excerpt from the Feasibility Report: "While water resources within economic means are not abundant, the demands of the City, the FCI and potential and realistically probable future water users are not high in any terms. The sources economically available to the City of Sheridan are adequate in quantity and quality for its future needs."

The Curran-McLeod, Inc. Feasibility Report is accepted and adopted as the factual basis and action plan for assuring an adequate and safe water supply, and the report and recommendations are incorporated herein by reference.

**Policy 1:** The City shall support the upgrading and maintenance of the water system as a vital element to the continued well-being of the community.

**Findings:** The City Council and Board of Commissioners find:

Adequate water supply sources are available and can be developed to accommodate both the projected year 2010 population and the needs of the federal prison. Implementation of the water system improvements detailed in the Feasibility Report will upgrade the fire protection system for all city residents. Finally, the City has an opportunity to leverage the economic development potential of the prison project to secure substantial funding of the infrastructure improvements.

- o A number of improvements to the existing City of Sheridan water supply, treatment, storage and distribution system will be required to accommodate construction of the federal prison. Comparable improvements would be required at any location within or adjacent to the city.

- o The Feasibility Report documents needed improvements, and attendant costs, associated with expanding and upgrading the City's water supply, treatment, storage and distribution facilities.
- o Existing transmission mains from the water storage reservoirs through the city on Bridge Street are woefully inadequate for fire protection at the High School or downtown buildings.
- o The water system improvements detailed in the Feasibility Report are supported by the Fire District and will improve fire protection.
- o The City, using the Feasibility Report for base cost information, will submit grant requests to the Intergovernmental Relations Department, Economic Development Department and Farmers Home Administration for funding of the water system costs.
- o The findings under Goal 3, above, are incorporated herein by reference.

**Policy 2:** The City shall investigate and promote the conservation and development of water resources to ensure that an adequate future water supply will be available to Sheridan's citizens at a reasonable cost.

**Findings:** The City Council and Board find:

- o The City of Sheridan has recently adopted a new schedule of water fees, rates and charges designed to:
  1. Eliminate deficit management of the drinking water supply budget;
  2. Encourage water conservation as a method of extending resources; and
  3. Allow for the replacement of worn equipment.

- o The rates are scheduled for periodic increases above the minimum so that the supply budget, including a reasonable depreciation fund for equipment replacement, may be balanced.
- o During the analysis of rates, it was noted that substantial volumes of water were being lost by high-volume industrial users, principally because the rates provided no incentive to conserve.
- o The rates were adjusted to recover the many dollars lost each month by an unfair subsidy by the residential services of the large volume commercial and industrial users.
- o Within the scope of the water ordinance is the ability to include special provisions for large-volume users. The purpose of this is to assure that the City can recover special costs associated with high-volume users.
- o Extra fees may be assessed to non-taxable users such as school districts, Federal or State government facilities and other publicly owned installations. These fees offset the property taxes securing outstanding General Obligation Bonds.

The new water ordinance promotes water conservation by virtue of increased unit costs. The ordinance and revised rates were designed to encourage conservation by major users. Conservation of water by large commercial, industrial and institutional users provides a cost-effective method to extend the City's resource base.

The findings under Goal 3, above, are incorporated herein by reference. The development of water resources as set forth in the Curran-McLeod Report constitute the investigation and promotion of development of water resources to ensure adequate future water supplies.

**Policy 3:** The City shall coordinate the use of the South Yamhill water resource with other involved and concerned municipalities, agencies and individuals.

**Findings:** The Board and City Council find:

The City of Sheridan presently hold a 900 gpm right-of-withdrawal from the South Yamhill River. The present intake structure at the South Yamhill River is operating at approximately one-third of the allowable capacity. It will be necessary to increase the pump capacity at the existing river intake from 300 gpm to 900 gpm in order to take full advantage of the 2.0 cubic feet per second (cfs) withdrawal rights.

Other municipalities, agencies and individuals involved and concerned with the City's use of the South Yamhill River include the State Water Resources Department, DEQ, Yamhill County and individual property owners and cities with water rights on the South Yamhill River.

It is not anticipated that the City's full use of its present right of withdrawal will adversely impact others. The exercise of water rights by senior right holders has not occurred in the last 30 years to an extent injurious to the City's water rights. This fact is notwithstanding very dry years which occurred in 1967 and 1976-77. Comments have been received from the Water Resources Department, DEQ, Department of Fish and Wildlife, Yamhill County, and individuals with water rights in the South Yamhill River.

During the implementation phase of the improvements specified in the Curran-McLeod Report, the City will continue to coordinate the use of the South Yamhill water resources with the other involved and concerned municipalities, agencies and individuals.

## 7. AIR RESOURCES

**Goal 1:** To maintain and, when and where feasible, enhance the air resources of the community.

**Findings:** The City Council and Board find:

The UGB and Plan Amendments, and the subsequent development of the prison complex and expanded sewage lagoons on the site, will maintain the air resources of the community.

- o Oregon's air pollution monitoring network includes 61 sampling sites for particulates. Continuous air quality monitors are located at 34 sites. Because Sheridan is somewhat distant from the existing monitoring sites, none of them are appropriate for determining background air quality for the site included within the UGB.
- o Estimates of background air quality levels were obtained from the Oregon Department of Environmental Quality (DEQ) and are referenced in Table 11 of the Final EIS. The data in Table 11 indicates that background pollutant concentrations at the Sheridan site are well below national ambient air quality standards for carbon monoxide and total suspended particulates.
- o Anticipated air quality impacts of the prison project are discussed on page III-5 of the Final EIS.
- o The number of additional vehicle trips generated by the prison project is considered too small to have a discernible impact on air quality.
- o Some temporary impacts to particulate levels may result during construction activities. No lasting impacts to particulate levels

are anticipated during facility operation. The facility will be heated with natural gas and there will be no incinerators on the site.

**Policy 2:** Discourage future development that would lower the quality of Sheridan's air resources.

**Findings:** The City Council and Board find:

As documented in the facts referenced under Goal 1 above, and incorporated herein by reference, future development of the prison complex and sewage lagoons on the site included within the UGB is not expected to have a discernible impact on air quality.

Therefore, because the development will not lower the quality of Sheridan's air resources, this policy has no bearing on the UGB change and Plan Amendment.

**Policy 3:** Request assistance from the Department of Environmental Quality for technical assistance in evaluating development which may adversely impact air resources.

**Findings:** The City Council and Board find:

- o The Air Quality Division of DEQ had an opportunity to review the Draft EIS through the A-95 State Clearinghouse Review process. Comments of the Air Quality Division are addressed on page XI-259 of the Final EIS.
- o In addition, Benkendorf & Associates requested assistance from Maggie Conley at DEQ as a component of the land use process.

City staff and Bureau of Prisons representatives have requested technical assistance from DEQ to evaluate air quality impacts of the proposal, consistent with the adopted plan policy.

**Policy 4:** Ensure that new industry be located in areas which minimize impacts upon the air, water and land resources base, as well as upon surrounding land uses.

**Findings:** The City Council and Board find:

The uses in the expanded UGB area are public facilities and not industrial; therefore, this policy is not applicable.

- o To the extent that the prison can be considered a "new industry," its location will minimize impacts upon the air, water and land resources base, as well as upon surrounding uses, because its separation from surrounding land uses by the barriers of State Highway 18, the railroad right-of-way and Ballston Road/Greenerest Cemetery.
- o The location south of the highway and with easy and convenient access to Ballston Road and Highway 18 will minimize the amount of traffic that would flow through commercial and residential portions of the town were the facility located northwest of town as proposed by the opponents. The location south of the highway is ideal for reducing traffic generated noise, dust and air pollution.

The UGB Amendment and Plan Amendment to designate the site south of Highway 18 for development of the prison complex and expanded sewage lagoons will ensure minimal impacts upon air, water and land resources base, as well upon surrounding uses. This specific location provides excellent opportunities for separating and buffering the impacts of the use.

**Policy 6:** Minimize noise levels whenever possible.

**Findings:** The City Council and Board of Commissioners find:

Noise levels will be minimized because any noise-producing equipment associated with heating systems, laundry, prison industries, waste water treatment, etc., will be housed within enclosed structures and is not expected to produce discernible noise levels beyond the property boundaries.

DEQ rules prohibit an increase of more than 10 dBA by any new source measured at any adjoining residence. All new noise sources will have to comply with the DEQ 10 dBA rule, which ensures that noise levels will be minimized.

The location of the prison complex and expanded sewage lagoons south of the highway in a sparsely settled area will minimize the impact of noise on existing residential uses.

## 8. NATURAL HAZARDS

**Goal 1:** To minimize danger to public safety and welfare from flooding and improve the general welfare by reducing economic loss due to interruption of business and industry, or damage to homes and other properties.

**Findings:** The City Council and Board of Commissioners find:

The UGB change and Plan Amendment, in concert with subsequent development of the site, will minimize danger to public safety and welfare from flooding. All buildings and exterior circulation areas associated with the prison complex will be outside of the flood-prone areas. Additionally, a stormwater management plan will be implemented at the time of development.

- o Part of the land included within the UGB Amendment lies within the 100-year floodplain of the South Yamhill River. Only a small portion of the prison site area is impacted by the 100-year floodplain.
- o The prison complex will be sited so as to minimize or avoid development within the identified flood hazard area. As a component of the site planning process, the Bureau will design a stormwater management system that would collect, hold and slowly release runoff so as to avoid impact on downstream properties.
- o Expansion of the City's sewage lagoons is contemplated to the east of the existing lagoons. The lagoon will be designed with flood protection levees and will not adversely affect the runoff.

The findings under Section III, City Goal 2, Policy 2 are incorporated herein by reference.

**Policy 2:** The City shall designate areas of recognized flood hazard on the plan map.

**Findings:** The City Council and Board find that the area of recognized flood hazard, as depicted in HUD flood hazard maps, will be appropriately designated on the Sheridan Plan Map subsequent to amendment of the Sheridan UGB.

- o A portion of the site included within the UGB Amendment is within the 100-year flood hazard area.
- o Subsequent to approval of this UGB change and Plan Amendment, the recognized flood hazard area will be designated in a floodplain overlay on the Sheridan Comprehensive Plan Map.

**Policy 5:** The City shall require that uses vulnerable to floods, including facilities which serve such uses, be protected against flood damage at the time of initial construction.

**Findings:** The City Council and Board find:

After annexation of the site, application of the City's Flood Damage Prevention Ordinance will ensure that uses and associated facilities are protected against flood damage at the time of initial construction.

- o The City of Sheridan has adopted a Flood Damage Prevention Ordinance (Ordinance 1980-2) which complies with the provisions of Statewide Planning Goal 7 (Natural Disasters and Hazards).
- o The Flood Damage Prevention Ordinance requires that uses vulnerable to floods, including facilities which serve such uses, be protected against flood damage at the time of initial construction.
- o In addition, a Flood Control and Drainage Plan is under consideration to reduce flooding problems in the southeast part of Sheridan.

## **9. ECONOMY OF THE CITY**

**Goal 1: To diversify and improve the City's economy.**

**Findings:** The City Council and Board find that:

- o The Final EIS and the Cost/Revenue Analysis prepared by the Economic Development Department contain thorough and reliable analyses of the anticipated employment and economic impacts of the federal prison project.
- o As documented in a letter from Gerald Wood, Senior Economist with the Economic Development Department, "...A regional economy that is dependent upon a narrow range of industrial sectors is generally more susceptible to economic disruption than a region

with a diversified industrial base...It is to the Sheridan area's advantage to diversify its industrial base."

The findings under Section I, Goal 14, Factors 1 and 2 are incorporated herein by reference.

- o The federal prison offers economic diversification in the form of 300 stable, well-paying jobs in the federal employment sector of the economy. The addition of 300 federal jobs to the regional economy would bring a total employment increase of 1.25%, and an annual payroll boost of 2.64%.

Approval of the UGB/Plan Amendment, and subsequent development of a federal prison on the site, will serve to expand and diversify local employment opportunities and stimulate the local and regional economy. Total expenditures for facility construction (estimated at \$48 million) would have a significant and direct effect on the economy of the area.

**Goal 3:** To encourage desired economic growth, develop a stable community-based economy, promote greater employment opportunities for Sheridan citizens, and provide efficient, orderly and convenient economic development.

**Findings:** The City Council and the Board find:

The proposed federal prison complex is desired by the Sheridan community, the City Council and the Yamhill County Board of Commissioners. The effort to provide a suitable site location for the Bureau of Prisons was spearheaded by a group of citizens from Sheridan, Willamina and Grand Ronde known as the Three Cities Development Corporation. The proposal has been endorsed by many civic organizations, including the Chamber of Commerce, the Rotary, the Yamhill County Economic Development Committee and the Yamhill County Board of Realtors. Support for the project has also been expressed by Senator Mark Hatfield, Representative Les

AuCoin, gubernatorial candidate Neil Goldschmidt, the mayor of Willamina, and a broad spectrum of citizens and other public officials. The prison project and the amendment to the urban growth boundary is desired by a large segment of the population for economic growth reasons.

When constructed, it is anticipated that 200 of the 300 permanent positions at the federal prison complex will come from the community. Because these jobs are full-time, permanent positions located in the Sheridan community, the prison project will be a major element in the development of a stable community-based economy.

In addition to the 200 full-time positions that are expected to be filled from the community, the prison project is expected to stimulate the service and retail elements of the economy. This multiplier effect will promote greater employment opportunities for Sheridan citizens. The efficiency, orderliness and convenience of the proposed development have been addressed elsewhere and the findings of Section I, Factors 1, 2, 3 and 4 are incorporated herein by reference.

- o In 1980, the Sheridan-Willamina area was identified as an economic lagging area suitable for increased economic growth and activity.
- o The federal prison represents a non-polluting job source that will utilize existing energy, labor market and transportation resources and facilities.
- o Given the fundamental shift in the Sheridan area economy, the City and Yamhill County have underutilized human and natural resource capabilities and have communicated a commitment to increased growth and development.

- o As documented in the City of Sheridan Water/Sewer Feasibility Plan, the City's water and sewer infrastructure can be expanded in an orderly and efficient manner to accommodate the federal prison.
- o The construction and operation of the federal prison will generate a number of impacts to the Sheridan economy. The employment and material purchases for construction of the facility will involve both manpower and monetary resources from northwestern Oregon. In addition, utilization of these resources will generate increased spending and result in indirect employment.

**Policy 6:** The City shall encourage economic development that will provide employment to, and a balance between a broad range of workers, including professional, skilled and unskilled labor.

**Findings:** The City Council and Board find:

- o The occupational structure of the workforce, based on 1980 Census information, is illustrated in Table 22 of the Final EIS. The largest single occupational category for the Sheridan census tract is operators, fabricators and laborers (24.9 percent). The largest occupational category for Yamhill and Polk Counties is technical sales and administrative support (25.6 and 27.0 percent respectively). The larger number of white collar jobs at the County level reflects the inclusion of more populated county seats of McMinnville (Yamhill Co.) and Dallas (Polk Co.). Both of these cities have a much more diversified economic base than the largely rural Sheridan census tract with its preponderance of lumber and wood products businesses.
- o It is estimated that the Bureau would transfer from other facilities approximately 50 employees for various positions requiring special skills and training.
- o The remaining 250 positions would include basic security, clerical, maintenance-oriented, and similar positions.

- o The federal prison is expected to stimulate the retail and service sectors of the local economy. An increase in indirect, service-sector jobs will greatly improve employment prospects for young people in Sheridan.

Approval of the UGB change/Plan Amendment and construction of the federal prison complex will provide new direct and indirect employment opportunities for a broad range of workers, including construction workers, correctional officers, administrators, clerical workers and other support personnel.

**Policy 7:** The City shall promote those industries that are non-polluting, energy-efficient, and which utilize local labor and raw materials.

**Findings:** The City Council and Board find:

- o The federal prison and sewage lagoons are considered public facility/institutional uses rather than industrial uses and, therefore, this policy does not apply. However, the use is otherwise consistent with this policy.
- o The general design of the prison complex will be of residential scale, similar to a college campus.
- o The use, relative to industrial operations, will be non-polluting. Discharge of prison waste waters will be governed by the City's NPDES discharge permit and established DEQ standards.
- o Federal Prison Industries, Inc. (trade name UNICOR), a wholly-owned, self-supporting government corporation that is part of the Bureau of Prisons, would establish an industrial program at the institution complex. The industry or industries would provide training for inmates in skills that are transferable to jobs in the community while also producing saleable goods and/or services. Federal Prison Industries sell their goods and services only to

other federal agencies and, therefore, do not compete with local private industry or other government bodies in the marketplace. A few examples of industrial training programs at other federal institutions are computer services, auto repair and maintenance, and furniture manufacture and repair. Although at this time a decision has not been made on the specific industrial program to be established at the facility, the operation (like those in existence at other Bureau of Prisons facilities) would be non-polluting and no hazardous materials would be generated.

- o Depending upon the industrial program established at the facility, a DEQ Air Contaminant Discharge Permit could be required for some activities.
- o As a federal agency, the Bureau of Prisons is mandated to use energy-conserving equipment and practices.
- o The prison project will have a significant and positive impact on local employment opportunities and purchase of local raw materials.

Therefore, the Bureau of Prisons project should be promoted and accommodated because the development represents a non-polluting, energy-efficient use which will utilize local labor and raw materials. The Council and Board recognize that it is difficult to accurately project what percentage of labor and raw materials purchases will come directly from Sheridan. However, given the scale of the project, it is reasonable to assume that the construction and operation of the facility will have a significant and positive effect on the local economy.

**Policy 9:** The City shall encourage industrial activities that will not deplete the energy resources of the area. Energy conservation and efficient utilization of energy resources shall be a consideration in allowing new industrial development in the city.

**Findings:** The City Council and Board find:

- o The federal prison and sewage lagoons are considered public facility/institutional uses rather than industrial uses and, therefore, this policy does not apply. However, the use is otherwise consistent with this policy.
- o Portland General Electric (PGE) supplies electric power to the area. Full 3-phase power is available at 12,470 volts along Highway 18 and Ballston Road.
- o Existing electric facilities are adequate to accommodate the prison, and an increase in the number and volume of users will result in a more efficient utilization of the existing power supply base.
- o Northwest Natural Gas Company of Salem, Oregon supplies natural gas to the city of Sheridan. To utilize the system for the federal prison, a 4-inch main will need to be extended approximately 5,000 feet south of Monroe Street to the site.

The energy consequences of the proposal relate more to the ability of suppliers to transport energy to the site. Both utilities have indicated that the energy demands of the Bureau of Prisons can be served.

As a federal agency, the Bureau of Prisons is mandated to use energy-conserving practices. Architectural design and energy performance standards will be developed and implemented to ensure energy conservation and to encourage the use of alternative energy sources.

There will be some increase in local fossil fuel consumption due to vehicle trip demands. However, the site is located in proximity to several attractive communities and should not require extensive commuting patterns. Since the prison will be located

closer to the prisoners' homes and closer to the federal courts than prisons located outside the Northwest, there will be an energy savings for visiting families and court-related trips.

**Policy 10:** Future industrial growth found to be incompatible with residential use shall be directed away from existing or proposed areas of residential development.

**Findings:** The City Council and Board find:

- o The federal prison and sewage lagoons are considered public facility/institutional uses rather than industrial uses and, therefore, this policy does not apply. However, the use is otherwise consistent with this policy.
- o The adopted Sheridan Comprehensive Plan illustrates that the anticipated residential growth pattern for the City is north and west of the existing downtown area. Development patterns in Sheridan are shaped and directed by topographical and floodplain constraints.
- o The uses of the sewage lagoons and federal prison are not compatible with intense urban development. In the site selection process, the Bureau and the Prison Task Force attempted to identify sites which were isolated from existing or planned residential development.

This UGB change and Plan Amendment will not significantly change the pattern of growth in Sheridan. The site included within the UGB is the logical location for the sewage lagoons and federal prison because it lies in close proximity to urban development, yet is effectively separated from the city by the physical barrier of State Highway 18.

**Policy 12:** The City shall encourage industry that will raise the wage scale in the community, and provides training opportunities in skills that can be transferred to other job categories and opportunities.

**Findings:** The City Council and Board find:

- o The federal prison and sewage lagoons are considered public facility/institutional uses rather than industrial uses and, therefore, this policy does not apply. However, the use is otherwise consistent with this policy.
- o Based on the EIS estimate of \$7.5 million annual payroll, average annual income per worker would equal \$25,000.
- o In 1979, the median household income in Yamhill County was \$16,873.00.
- o About 100 indirect jobs paying \$12,000 to \$18,000/year will be created with the prison project.
- o The Bureau of Prisons will intensively recruit local residents and will provide training tailored to the requirements of various job categories.
- o Representatives of the Yamhill County Job Training Center, a private non-profit organization, have communicated a commitment to provide a two-year training program designed to accommodate the requirements to qualify for Corrections Officer positions, as well as other positions that will be available with the federal prison complex.

The Bureau of Prisons project will raise the wage scale in the community. Further, the Bureau of Prisons will provide training in corrections, administrative and managerial skills that can be transferred to other job categories outside of the corrections field.