

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON

In the Matter of the Application by the Port of St. Helens for a Comprehensive Plan Amendment, Zone Change and Goal 2 Exception to Change the Zoning of 957 Acres from Primary Agriculture to Resource Industrial - Planned Development for the Expansion of Port Westward (Application No. PA 13-02 & ZC 13-01))
ORDINANCE NO. 2014-1

The Board of County Commissioners for Columbia County, Oregon, ordains as follows:

SECTION 1. TITLE.

This Ordinance shall be known as Ordinance No. 2014-1.

SECTION 2. AUTHORITY.

This Ordinance is adopted pursuant to ORS 203.035, ORS 197.175, 197.610 and 197.615, and ORS 197.732.

SECTION 3. PURPOSE.

The purpose of this Ordinance is to approve in part and deny in part the Application of the Port of St. Helens for a Comprehensive Plan Amendment, Zone Change, and Goal 2 Exception to change the zoning of approximately 957 acres from Primary Agriculture - 80 acres (PA-80) to Resource Industrial - Planned Development (RIPD) for the expansion of Port Westward (Application No. PA 13-02 and ZC 13-01). The subject property includes the following tax lots (identified by Tax Map ID):

- 8N4W 16 00 500
- 8N4W 20 00 100, 200, 300
- 8N4W 21 00 300, 301, 400, 500, 600
- 8N4W 22 00 400, 500, 600, 700
- 8N4W 23 00 900
- 8N4W 23 BO 400, 500, 600, 700
- 8N4W 29 00 100

SECTION 4. HISTORY.

The above-captioned application was deemed complete by Planning Staff on February 19, 2013. Following public notice, the Planning Commission held public hearings on May 6 and May 20, 2013. On June 17, 2013, the Planning Commission deliberated and voted 5-1 to recommend denial of the application to the Board of Commissioners.

Following public notice, the Board of Commissioners held three public hearings on the application in Clatskanie on September 18, October 3, and October 9, 2013. In addition to hearing oral testimony, the Board admitted written evidence and testimony into the record, which is listed in Attachment 1, attached hereto and incorporated herein by this reference. The Board then closed the hearing, continued deliberations to November 13, 2013 and left the record open until October 16 for written evidence and testimony, October 23 for written rebuttal, and October 30 for final written argument. The Board admitted all timely submitted written evidence, which is also listed in Attachment 1.

After deliberating on November 13, 2013, the Board tentatively decided by unanimous vote to deny the application as to the two southernmost river-front tax lots (8N4W 20 00 100 (96.59 acres) and 8N4W 29 00 100 (23.03 acres)) and to approve the application as to the remaining tax lots, subject to conditions recommended by staff, as amended by the Board. The Board then directed staff to prepare an ordinance to reflect their decision.

SECTION 5. FINDINGS AND CONCLUSIONS.

The Board of County Commissioners adopts Findings of Fact and Conclusions of Law, attached hereto as Attachment 2 and incorporated herein by this reference. The Board also adopts the findings and conclusions in the Staff Report to the Board of Commissioners, attached hereto as Attachment 3 and incorporated herein by this reference, to the extent those findings and conclusions are consistent with the Board's decision.

SECTION 6. DECISION, AMENDMENT AND AUTHORIZATION.

- A. PA 13-02 and ZC 13-01 is denied as to tax lots 8N4W 20 00 100 and 8N4W 29 00 100, which combined are approximately 120 acres. PA 13-02 and ZC 13-01 is approved for the remaining approximately 837 acres.
- B. The Columbia County Comprehensive Plan Map designation for the remaining approximately 837-acre subject area is hereby amended from Primary Agriculture to Rural Industrial.
- C. The Zoning Map designation for the remaining approximately 837-acre subject area is hereby amended from Primary Agriculture-80 (PA-80) to Resource Industrial - Planned Development (RIPD).
- D. An Exception to Statewide Planning Goal 3 is taken and made a part of the Columbia County Comprehensive Plan for the approximately 837-acre subject

area, based on the findings and conclusions provided in Attachments 2 and 3 and the documents incorporated therein.

- E. The Board's approval of Application PA 13-02 and ZC 13-01, is subject to the following conditions:
1. Prior to an application for a building or development permit for a new use, the applicant/developer shall submit a Site Design Review and an RIPD Use Permitted Under Prescribed Conditions as required by the Columbia County Zoning Ordinance.
 2. To ensure adequate transportation operation, proposed developments and expansions requiring site design review or Use Permitted under Prescribed Conditions review shall not produce more than 332 PM peak-hour trips for the entire subject property without conducting a new Traffic Impact Analysis with recommendations for operational or safety mitigation consistent with the Oregon Transportation Planning Rule OAR 660-012-0060.
 3. A traffic study shall be prepared for each proposed future development within the subject property to determine the number of trips generated, likely travel routes, and impacts on both passenger car and heavy truck traffic, and to ensure that County roadways are improved as needed to adequately service future development. These TIA reports would also be used to ensure that the number of trips generated and accumulative trips do not exceed the trip cap.
 4. To ensure compatibility with adjoining agricultural uses the applicant/developer of new industrial uses shall comply with the following:
 - a. The habitat of threatened and endangered species shall be evaluated and protected as required by law.
 - b. Alterations of important natural resource features, including placement of structures shall maintain the overall values of the feature.
 - c. All development adjacent to land zoned PA-80 shall include buffers that are established and maintained between the industrial uses and adjacent land uses on PA-80 zoned land, including natural vegetation and where appropriate, fences, landscaped areas and other similar types of buffers.
 - d. When possible the area of the site that is not developed for industrial uses or support shall be left in a natural condition or in resource (farm) production.

- e. Controls, including suppression and requiring hard surfaces, shall be employed as needed upon determination by the County to mitigate dust caused by industrial uses that may emanate from the site and traffic to the site.
 - f. Site run-off shall be controlled and any harmful sediment shall be contained or otherwise treated before being released to ensure potential impacts to irrigation equipment and area water quality (both ground and surface) are controlled.
 - g. The industrial use impact on the water table shall be monitored to ensure that the water table can be maintained and managed as it is historically done.
 - h. Railroad crossings shall be managed consistently with federal law regulating crossings to reduce crossing delays. Any proposed use that includes transport to or from the subject property by rail shall submit a rail plan identifying the number and frequency of trains to the subject property, the impact on the County's transportation system, and proposed mitigation.
 - i. Development applications shall include an agricultural impact assessment report that shall analyze adjacent agricultural uses and practices and demonstrate that impacts from the proposed use are mitigated. The report shall include a description of the type and nature of the agricultural uses and farming practices, if any, which presently occur on adjacent lands zoned for farm use, type of agricultural equipment customarily used on the property, and wind pattern information. The report shall include a mitigation plan for any negative impacts identified.
5. The types of industrial uses for the subject property shall be limited to the uses, density, public facilities & services and activities to, only those that are justified in the exception.
 6. The storage, loading and unloading of coal is specifically not justified in this exception. Such uses shall not be allowed on the subject property without a separately approved exception to Goal 3.

SECTION 7. SEVERABILITY.

If any portion of this Ordinance is for any reason held invalid by any court of competent jurisdiction, such portion shall be deemed as a separate, distinct, and independent portion, and such holdings shall not affect the validity of the remaining portion of this ordinance.

SECTION 8. SCRIVENER'S ERRORS.

Any scrivener's errors in this Ordinance may be corrected by order of the Board of County Commissioners.

DATED this 29th day of January, 2014.

Approved as to Form

By: [Signature]
Office of County Counsel

Recording Secretary

By: [Signature]
Jan Greenhalgh, Recording Secretary

First Reading: 1-15-14
Second Reading: 1-29-14
Effective Date: 4-29-14

BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON

By: [Signature]
Anthony Hyde, Chair

By: [Signature]
Henry Heimuller, Commissioner

By: [Signature]
Earl Fisher, Commissioner

EXHIBIT 1 - Legal Counsel's File

*Port of St. Helens application for Comprehensive Plan Amendment, Zone Change and Goal Exception
(PA 13-02 and ZC 13-01)*

1. Letter from Michael Sheehan, September 18, 2013
2. Report on results of public opinion survey commissioned and submitted by Portland and Western Railroad, September 18, 2013
3. Email from Robert and Valerie Blackmore, September 18, 2013
4. Email from Judy Stamp, September 18, 2013
5. Email from Stan Hoffman, September 18, 2013
6. Email from Celine Mattersdorff, September 18, 2013
7. Written Statement of Douglas Krahmer, Berries Northwest LLC, September 18, 2013
8. Letter from Rob Rich, Shaver Transportation Co. and CRTA President, September 17, 2013
9. Written statement of Robert Butibe, September 17, 2013
10. Email from Kisei Amy Costenbader, September 17, 2013
11. Email from Soten Lynch, September 17, 2013
12. Written statement of Caroline Skinner and Howard Blumenthal, September 17, 2013
13. Email from Jas Pal Sing and Bill Jones, September 17, 2013
14. Email from Jan Bays, September 17, 2013
15. Email from Brandon Massey, September 17, 2013
16. Email from Eve Heidtmann, September 17, 2013
17. Email from Michael and Angela Adams, September 17, 2013
18. Email from Chana Cox, September 17, 2013
19. Email from Rodney Cox, September 17, 2013
20. Email from Wayne Mayo, September 17, 2013
21. Email from Melody Englund, September 17, 2013
22. Email from Rick Stonex, September 17, 2013
23. Letter from Carol Brandt, September 17, 2013
24. Letter from Kim Bunnell, September 17, 2013
25. Letter from Gene and Eva Groskopf, September 17, 2013
26. Letter from Monica Hastings, September 17, 2013
27. Letter from Susan Sherman, September 17, 2013
28. Letter from Shelli Brown, September 17, 2013
29. Letter from Erin Hoagland, September 17, 2013
30. Letter from Scott and Theresa Falconer, September 17, 2013
31. Letter from Dorothy and Wayne Bailey, September 17, 2013
32. Letter from Mayor Diane Pohl, City of Clatskanie, September 16, 2013

33. Letter from Gary and Lynn Jones, September 16, 2013
34. Letter from Thomas Lang, EverClat LLC, Evergreen Shopping Center, September 16, 2013
35. Letter from CM Meyer, Salyer Family Limited Partnership, Evergreen Shopping Center, September 16, 2013
36. Letter from Toby Harris, Clatskanie City Council, September 16, 2013
37. Letter from Mayor Diane Pohl on behalf of Clatskanie City Council, September 16, 2013
38. Letter from Mr. and Mrs. Ted Van Beck, September 16, 2013
39. Letter from Pam Makela, September 16, 2013
40. Letter from Amanda Moravec, in individual capacity, September 16, 2013
41. Letter from Amanda Moravec on behalf of Clatskanie Chamber of Commerce, September 16, 2013
42. Letter from Turning Point Community Services Center Board of Directors, September 16, 2013
43. Email from Mary Sandell, September 16, 2013
44. Email from Hogen Bays, Great Vow Zen Monastery, September 16, 2013
45. Email from Chip Bubl, September 16, 2013
46. Email from Courtney Elton, September 16, 2013
47. Email from Joan Stamm, September 16, 2013
48. Email from Bill Eagle, September 13, 2013
49. Email from Dylan Lamar, September 13, 2013
50. Email from Kathleen Schmitt, September 11, 2013
51. Email form Laurence Trussell, September 11, 2013
52. Email from Bruce Podobnik, September 11, 2013
53. Email from Tom Wykes, September 11, 2013
54. Email from Ron Moshontz, September 11, 2013
55. Email from Steve Fox, September 11, 2013
56. Email from Matt Reagan, September 11, 2013
57. Email from Kimberly Deckman, September 10, 2013
58. Email from Darrel Whipple, September 10, 2013
59. Email from Nancy Ward, September 10, 2013
60. Email from Kathy Appel, September 10, 2013
61. Email from Martin Schiller, September 10, 2013
62. Email from Annie Christensen, September 10, 2013
63. Email from Lisa Star, September 10, 2013
64. Email from Joan Halifax, September 10, 2013
65. Email from Linda Hooper, September 10, 2013
66. Email from Sosan Theresa Flynn, September 10, 2013
67. Email from Todd Dugdale to Nancy Whitney, Clean Columbia County, August 19, 2013
68. Email from Todd Dugdate to Nancy Whitney, Clean Columbia County, August 8,

2013

69. Letter from Dave Molony, August 7, 2013
70. Letter from Marjorie Kundiger, August 7, 2013
71. Email from Clean Columbia County, August 6, 2013
72. Memo from Todd Dugdale, July 3, 2013, with the following attachments:
 1. Draft Board of Commissioners Notices
 2. Surrounding Property Owners and Agencies Labels
 3. Planning Commission Final Order and Recommendation
73. Letter from Christopher Armstrong-Stevenson, May 10, 2013
74. Letter from Jeff Stookey, May 10, 2013
75. Letter from Mayor Jerry Cole, City of Rainier, April 4, 2013
76. Board Communication and Staff Report, dated September 11, 2013, with the following attachments:
 1. Exception Document
 2. Comments received under separate cover
 3. Vicinity map, aerial map with boundaries
 4. Application and maps in separate document
77. Technical Memorandum (Transportation Impact Analysis) from Michael Ard, Lancaster Engineering, September 10, 2013
78. Notice of Public Hearing (Publication), dated August 21, 2013
79. Notice of Public Hearing (Property Owner Notice), dated August 21, 2013
80. Affidavit of Publication, dated August 21, 2013
81. Affidavit of Mailing, dated August 21, 2013
82. The following items were received after the Planning Commission record closed and were not part of the record before the Planning Commission:
 1. Letter from Mike and Candy Seely, dated June 10, 2013*
 2. Letter from Mary Kyle McCurdy, 1000 Friends of Oregon, dated June 6, 2013*
 3. Letter from Lauren Goldberg, Columbia Riverkeeper, dated June 5, 2013*
 4. Letter from Annie Christensen, dated June 3, 2013 (received June 4, 2013)*

Planning Commission Record

(Note: items with an asterisk (*) were received after the close of the Planning Comm

1. Planning Commission Final Order, dated June 27, 2013
2. Minutes of Planning Commission Meeting, June 17, 2013
3. Final Argument submitted by Gary Shepherd for Applicant, dated June 10, 2013
4. Letter from Jeff Whittaker, dated June 3, 2013
5. Response from Michael Clarke, dated June 3, 2013
6. Letter from Leslie Ann Hauer, dated June 3, 2013
7. Technical Memorandum from Michael Ard, Lancaster Engineering, dated June 3, 2013 (submitted by Applicant)
8. Technical Memorandum from Michael Ard, Lancaster Engineering, dated May 28,

- 2013 (submitted by Applicant)
9. Crop Profile for Mint In Oregon and other information on mint crops in Oregon, received June 3, 2013
 10. Nutrient Management for Blueberries in Oregon and other information on blueberry crops in Oregon, received June 3, 2013
 11. Information on poplar growing in Oregon, received June 3, 2013
 12. Research on Agricultural Buffers: A White Paper, dated April 2012, received June 3, 2013
 13. Letter from James Benedict, dated June 3, 2013
 14. Maps of Columbia River, submitted on June 3, 2013 (duplicate)
 15. Letter from Gary Shepherd for Applicant, responding to displacement of farmland, dated June 3, 2013
 16. Letter from Gary Shepherd for Applicant, responding to alternative analysis objections, dated June 3, 2013
 17. Letter from Gary Shepherd for Applicant, in response to comments, dated May 30, 2013, received June 3, 2013
 18. Letter from Raymond DiPasquale, City of Clatskanie Public Works Director, dated June 3, 2013
 19. Letter from Lauren Goldberg, Columbia Riverkeeper, dated June 3, 2013
 20. Letter from Steven McCoy, 1000 Friends of Oregon, dated May 29, 2013
 21. Email from Leon Chamberlain, dated May 28, 2013
 22. Beaver Dock Evaluation document, dated March 2004, received May 28, 2013
 23. Maps of Columbia River, submitted May 28, 2013
 24. Letter from Gary Shepherd for Applicant, regarding Comprehensive Plan Policies and Goal Compliance, with attached Exhibits 1 - 16, dated May 27, 2013, received May 28, 2013
 25. Lower Columbia River and Columbia River Estuary Subbasin Summary (May 17, 2002), received May 28, 2013
 26. Port of St. Helens PowerPoint slides, received May 28, 2013
 27. Letter from Lauren Goldberg, Columbia Riverkeeper, dated May 28, 2013
 28. Port Westward Industrial Park brochure, received May 28, 2013
 29. Letter from Leslie Ann Hauer, dated May 28, 2013
 30. Letter from Margaret Cemulini, dated May 28, 2013
 31. Letter from Barbara Hayden, dated May 28, 2013
 32. Letter from Robert Campbell, dated May 28, 2013
 33. Written testimony from Michael Clarke, dated May 28, 2013
 34. Email from Pat Freiberg, dated May 28, 2013
 35. Email from Nancy Phillips, dated May 28, 2013
 36. Email from Jack Phillips, dated May 28, 2013
 37. Email from Mike Seely, dated May 28, 2013
 38. Email from Dianne Kocer, dated May 28, 2013
 39. Email from Darrel Whipple, dated May 28, 2013

40. Email from Victoria Prescott, dated May 27, 2013
41. Email from Scott MacGregor, dated May 27, 2013
42. Email from Chana Cox, dated May 24, 2013
43. Letter from Gary Shepherd regarding Senate Bill 766, dated May 24, 2013
44. Email from Rodney Cox, dated May 24, 2013
45. Email from Hogan Bays, dated May 24, 2013
46. Email from Warren Nakkela, dated May 23, 2013
47. Letter from Lauren Goldberg, Columbia Riverkeeper, dated May 20, 2013, with attached Exhibits 56-60
48. Written statement of Jim Lichatowich, dated May 20, 2013
49. Letter from Gary Shepherd for Applicant regarding Transportation Planning Rule and Trains, dated May 20, 2013, with attached Exhibits 1-3
50. Letter from Jeff Whitaker, dated May 20, 2013
51. Written statement from Mike Clark, submitted at Planning Commission, May 20, 2013
52. Written statement from Brian Rosenthal, submitted at Planning Commission, May 20, 2013
53. Written statement from Steven Massey, submitted at Planning Commission, May 20, 2013
54. Written statement from Jasmine Zimmer-Stucky, Columbia Riverkeeper, submitted at Planning Commission, May 20, 2013
55. Written statement from Nancy Ward, submitted at Planning Commission, May 20, 2013
56. Letter from Leslie Ann Hauer, dated May 20, 2013
57. Written statement from R. Duncan MacKenzie, submitted at Planning Commission, May 20, 2013
58. Written statement from Gloria MacKenzie, submitted at Planning Commission, May 20, 2013
59. Written statement from Steve Routon, submitted at Planning Commission, May 20, 2013
60. Written statement from Paula Miranda, Port of St. Helens, May 20, 2013
61. Letter from Michael Seely, dated May 17, 2013
62. Email from Lorraine Orcino, dated May 15, 2013
63. Letter from Edward Faneuil, Global Partners, May 7, 2013
64. Email from Darro Breshears-Routon and Steven Routon, May 6, 2013
65. Email from Robert Wedow, May 6, 2013
66. Letter from Angela Souvenir, May 4, 2013
67. Email from Nick and Khaira Hurliman, May 6, 2013
68. Email from Sarah Bean, May 7, 2013
69. Letter from Jeff Stookey, May 5, 2013
70. Letter from Gary Shepherd for Applicant regarding ODOT comments, dated May 6, 2013

71. Technical Memorandum from Michael Ard, Lancaster Engineering, submitted by Applicant, dated May 6, 2013
72. Letter from Peter Huhtala, Columbia Pacific Economic Development District, dated March 27, 2013
73. "Oregon's industrial lands shortage," article from the *Oregonian*, February, 26, 2013
74. Letter from Mike Livingston, PGE, May 3, 2013
75. Letter from Michael Oldenburg, May 13, 2013
76. Email from Jim Border, May 6, 2013
77. Email from Thomas and Diana Gordon, May 9, 2013
78. Email from Don Steinke, May 13, 2013
79. Email from Ray Hixson, May 13, 2013
80. Email from Art Young, May 13, 2013
81. Email from Steven Massey, May 13, 2013
82. Letter from Christopher Armstrong-Stevenson, May 3, 2013
83. Letter from Brady Preheim, May 6, 2013
84. Letter from R. Duncan MacKenzie, March 28, 2013, received May 6, 2013
85. Written statement from Lona Pierce, May 6, 2013
86. Letter from Michael Seely, received May 6, 2013
87. Written statement from Annie Christensen, May 6, 2013
88. Email from Mitch and Shannon Seagondollar, May 6, 2013
89. Email from Wanda Pilakowski, May 6, 2013
90. Powder River Basin Coal Transport - Social Costs Worksheet, submitted by William Allen, May 6, 2013
91. Written statement of Adriaan Snyman and Ingrid Stuckenberg, May 6, 2013
92. Written statement of Diane Pohl, May 6, 2013
93. Written statement of Patricia Zimmerman, May 6, 2013
94. Written statement of Tammy Maygra, May 6, 2013
95. Written statement of Jim Lichatowich, May 6, 2013
96. Written statement of Darrel Whipple, May 6, 2013
97. Letter from Greg Hinkelman, Clatskanie Economic Development Chair, May 1, 2013
98. Written statement of Chip Bubl, May 6, 2013
99. Written statement of George Poysky, May 6, 2013
100. Letter from Patrick Wingard, Oregon Department of Land Conservation and Development, April 1, 2013
101. Written statement of Laura Stevens, Oregon Sierra Club, May 6, 2013
102. Written statement of Rachel and David Bernstein, May 6, 2013
103. Letter from Lauren Goldberg and Miles Johnson, Columbia Riverkeeper, May 3, 2013, with attached Exhibits 1-55
104. Letter from Randy Bergman, Columbia Soil and Water Conservation District, May 6, 2013

105. Email from Mary Duvall, May 6, 2013
106. Email from Janon Hutton, May 6, 2013
107. Email from Carol Sherman, May 6, 2013
108. Email from Melinda Bell, May 6, 2013
109. Email from Peter Frothingham, May 6, 2013
110. Email from Laurence Trussell, May 6, 2013
111. Email from Joanne Pence, May 5, 2013
112. Email from Ron Moshontz, May 5, 2013
113. Email from Ken Silva, May 4, 2013
114. Email from Shoki Cleary, May 4, 2013
115. Email from Douglas Kagel, May 4, 2013
116. Email from Stan Hoffman, May 3, 2013
117. Letter from Mike Livingston, May 3, 2013
118. Email from Cathy Silva, May 3, 2013
119. Written statement from Leon Chamberlain, May 6, 2013
120. Email from Sue Ellen Liss, May 3, 2013
121. Email from Wayne Mayo, May 6, 2013
122. Email from Kate Schmitt, May 6, 2013
123. Letter from Hogan Bays, Great Vow Zen Monastery, May 6, 2013
124. Email from Sara Monial, Great Vow Zen Monastery, May 6, 2013
125. Written statement of Judith Bays, Great Vow Zen Monastery, May 6, 2013
126. Letter from Jeff Whittaker, May 6, 2013
127. Written statement of Soten Lynch, May 6, 2013
128. Letter from Lori Wallace, May 6, 2013
129. Email from Celine Mattersdorff, May 6, 2013
130. Email from Gregory Walker, May 6, 2013
131. Written statement of Scott MacGregor, May 6, 2013
132. Letter from Marjorie Kundiger, May 6, 2013
133. Letter from Julie Patrick, May 6, 2013
134. Letter from Tilda Kirk, May 6, 2013
135. Letter from Robert Campbell, May 6, 2013
136. Written statement of Nancy Phillips, May 6, 2013
137. Written statement of John Phillips, May 6, 2013, including attachment
138. Letter from Greg Hinkelman, May 2, 2013
139. Email from Julie Colley, May 2, 2013
140. Email from Daitetsu Hull, May 2, 2103
141. Email from Arlene Holmes, May 2, 2013
142. Email from Lucy Kingsley, May 2, 2013
143. Email from Karen Swallow, May 2, 2013
144. Email from Sheila Babbie, May 1, 2013
145. Email from Susan Maginn, May 1, 2013
146. Email from Ryushin Creedon, May 1, 2013

147. Email from Rick Perry, May 1, 2013
148. Email from Barbara Bell, May 1, 2013
149. Email from Bonnie Lynch, May 1, 2013
150. Email from Diane McQueen-Smith, May 1, 2013
151. Email from Suzan Reed, May 1, 2013
152. Email from Adam Salzberg, May 1, 2013
153. Email from Elizabeth Honeyman, May 1, 2013
154. Email from Tracy Prescott-MacGregor, May 1, 2013
155. Written statement of Tracy Prescott-MacGregor, May 1, 2013
156. Email from Frank Sanje Elliot, May 1, 2013
157. Email from Andrea Beardsley, May 1, 2013
158. Email from Karen Lundblad, May 1, 2013
159. Letter from Mayor Diane Pohl, City of Clatskanie, April 22, 2013
160. Notice of Rescheduled Public Hearing, April 10, 2013
161. Letter from Mayor Jerry Cole, City of Rainier, April 10, 2013
162. Email from Glen Higgins to Applicant, April 9, 2013
163. Email from Glen Higgins to Bill Johnston, April 1, 2013
164. Written statement of Ruby Benner, April 1, 2013
165. Written statement of Shannon Benner-Walsh, April 1, 2013
166. Written statement of Tilda Kirk, March 31, 2013
167. Email from Kyle Walsh, April 1, 2013
168. Letter from Deborah Steele Hazen, Clatskanie Chief, March 20, 2013
169. Letter from James Johnson, Oregon Department of Agriculture, April 1, 2013
170. Email from P. Horter, April 1, 2013
171. Letter from Kathy Appel, April 1, 2013
172. Letter from Patrick Wingard, Oregon Department of Land Conservation and Development, April 1, 2013
173. Letter from Lynn Schoessler, April 1, 2013
174. Email from Bill Eagle, April 1, 2013
175. Letter from Marjorie Kundiger, April 1, 2013
176. Letter from Julie Patrick, April 1, 2013
177. Letter from Bon and Mark Hill, April 1, 2013
178. Email from Joel Haugen, April 2, 2013
179. Email from Shawn and David Looney, April 2, 2013
180. Email from Paula Miranda, Port of St. Helens, March 29, 2013
181. Email from Robin McIntyre to Glen Higgins, March 28, 2013
182. Letter from Peter Huhtala, Columbia Pacific Economic Development District, March 27, 2013
183. Written statement from Bill Johnston, Oregon Department of Transportation, March 27, 2013
184. Email from Bill Johnston, Oregon Department of Transportation, March 22, 2013
185. Letter from Christine Dahlgren, Clatskanie Chamber of Commerce, March 22,

2013

186. Letter from Brian Little, Columbia County Economic Team, March 21, 2013
187. Planning Commission Staff Report, dated March 21, 2013, with the following attachments:
 1. Exception Document
 2. Comments received
 3. Vicinity map, aerial map with boundaries
 4. Application and maps in separate document
188. Email from Michael Hays, Oregon Department of Transportation, March 5, 2013
189. Email from Michael Hays, Oregon Department of Transportation, March 5, 2013
190. Email from Patrick Wingard, Oregon Department of Land Conservation and Development, March 5, 2013
191. Referral and Acknowledgment from Kari Hollander, Columbia Soil and Water Conservation District, March 4, 2013
192. Certificate of Mailing Deemed-Complete Letter, Notice of Public Hearing, and Application, February 28, 2013
193. Referral and Acknowledgment from Lonny Welter, Columbia County Road Department, February 28, 2013
194. Email from Glen Higgins to Patrick Wingard, DLCD, February 27, 2013
195. Referral and Acknowledgment from Greg Hinkelman, City of Clatskanie, February 26, 2013
196. Referral and Acknowledgment from Bill Potter, Columbia County Building Official, February 21, 2013
197. Notice to Department of Land Conservation and Development, February 19, 2013
198. Letter from Glen Higgins deeming application complete, February 19, 2013
199. Application, January 31, 2013

EXHIBIT 1A

Addendum to Exhibit 1- Legal Counsel's File

*Port of St. Helens application for Comprehensive Plan Amendment, Zone Change and Goal Exception
(PA 13-02 and ZC 13-01)*

Written evidence and testimony received at or after the Board of Commissioner's hearing on September 18, 2013 through noon on October 3, 2013:

2. Written testimony from Melanie Hudson, 9/18/13
3. Letter from Phil Hazen, Hazen Hardware, 9/18/13
4. Letter from Deborah Steele Hazen, Clatskanie Chief, 9/18/13
5. Letter from Richard N. Larsen, Clatskanie Foundation, 9/18/13
6. Written testimony of David and Rachel Bernstein, 9/18/13
7. Written testimony of Donald McKinlay, 9/18/13
8. Written testimony of Marilee Dea, 9/18/13
9. Written testimony of Joseph Turner, 9/18/13
10. Written testimony of Connie Erickson, 9/18/13
11. Letter from Marjorie Kundiger, 9/18/13
12. Written testimony of Carol Girt, 9/18/13
13. Letter from Aaron Stoker, American Family Insurance, 9/18/13
14. Written testimony of Edward Leffler, 9/18/13
15. Written testimony of Nicole Weldon, 9/18/13
16. Written testimony of Christin Prockish, 9/18/13
17. Written testimony of Sarah Carter, 9/18/13
18. Written testimony of Joshua Carter, 9/18/13
19. Letter from Greg Booth, Clatskanie People's Utility District, 9/18/13
20. Letter from Stan Hart, 9/18/13
21. Letter from Lauren Goldberg, Columbia Riverkeeper with attached Exhibits 65-87, 9/18/13
22. Letter from Mark Landauer, Oregon Public Ports, 9/18/13
23. Article on Oregon manufacturing sector, 9/18/13
24. Written testimony of Chuck Daughtry, Columbia County Economic Team, 9/18/13
25. Written testimony of Linda Hooper, 9/18/13
26. Written testimony of Christine Dahlgren, 9/18/13
27. Clatskanie School Board Resolution 01-2013-14, 9/18/13
28. Chart of Columbia County Land Use and Ownership, submitted by Randy Bergman, 9/18/13
29. Pacific Rainforest Wildlife Guardians, submitted by Fred Yauney, 9/18/13
30. Letter from Barbara Hayden, 9/18/13
31. Written testimony of Diane Pohl, Mayor of Clatskanie, 9/18/13

32. Letter from Jim Gibson, Clatskanie Rural Fire Protection District, 9/18/13
33. Written testimony of State Representative Brad Witt, 9/18/13
34. Letter from Lester Pugh, 9/18/13
35. Written testimony of Alta Lynch, 9/18/13
36. Written testimony of Paul Langner, Teevin Brothers, 9/18/13
37. Letter from Edward Faneuil, Global Partners, 9/18/13
38. Email from Karen and Peter Leonard 9/18/13
39. Letter from John Hanken, City of Scappoose, with attached City Resolution No. 13-03, 9/18/13
40. Sign-in Sheets, Board of Commissioners Public Hearing, 9/18/13
41. Letter from Jeff Whittaker, 9/19/13
42. Email from Meredith Moore, 9/19/13
43. Email from Karen and Peter Leonard, 9/19/13
44. Email from Maia Dean, 9/20/13
45. Email from Donald McKinlay, with written testimony attached, 9/20/13
46. Planning Commission Minutes, May 6, 2013 hearing, 9/23/13
47. Planning Commission Minutes, May 20, 2013 hearing, 9/23/13
48. Letter from Rick and Donna Bernash, 9/23/13
49. Written testimony of Jim Lichatowich, dated May 20, 2013, 9/23/13
50. Letter from Greg Buzzy, Amber Assisted Living, 9/23/13
51. Email from Steve Routon, with attached written testimony, 9/24/13
52. Written testimony of Sarah Newton, 9/24/13
53. Email from Keith Forsythe, Pacific Industrial Service, Inc, 9/24/13
54. Petition, "Vote 'NO' on the Port of St. Helens' application . . ." submitted by Tracy Prescott-MacGregor, 9/29/13
55. Letter from Steven Massey, with attachments, 9/30/13
56. Email from John Mohlis, 9/30/13
57. Letter from Mary Kyle McCurdy, 1000 Friends of Oregon, 9/30/13
58. Email from Joanne Pence, 10/2/13
59. Written testimony of Darrel Whipple, 10/3/13

EXHIBIT 1B - Legal Counsel's File

*Port of St. Helens application for Comprehensive Plan Amendment, Zone Change and Goal Exception
(PA 13-02 and ZC 13-01)*

60. Letter from Steve Massey, page 2 of 2, with news article, received 10/2/13.
61. Letter from Linda & Carl Blodgett, dated 9/2/13
62. Rail Safety Report submitted by Paula Lichatowich, dated 10/3/13
63. Email from Jim & Laura Bakkensen, dated 9/18/13
64. Letter from Rob Smith, submitted 10/3/13
65. Letter from Marjorie Kundiger, submitted 10/3/13
66. Letter from Michael Seely, submitted 10/3/13
67. Letter from Kristin Lillich, submitted 10/3/13
68. Letter from John Lillich, submitted 10/3/13
69. Letter from Roger & Connie Kitchin, submitted 10/3/13
70. Letter from J.L. Dayton, submitted 10/3/13
71. Letter from Beth Talmage, submitted 10/3/13
72. Letter from Darrel Whipple, submitted 10/3/13
73. Coal Terminal Documents, submitted by Darrel Whipple 10/3/13
74. City of St. Helens Resolution #1622, submitted by Darrel Whipple 10/3/13
75. Letter from the Dept of Agriculture to Glen Higgins submitted by Darrel Whipple 10/3/13
76. Letter from Annie Christensen, submitted 10/3/13
77. Letter from Bill Eagle with spreadsheet, submitted 10/3/13
78. Letter from Mary Duvall with attachments, submitted 10/3/13
79. Letter from Robert Campbell, submitted 10/3/13
80. Letter from Judith (Jan) Bays, with attachments, submitted 10/3/13
81. Letter from Scott MacGregor, submitted 10/3/13
82. Petition with 511 on-line signatures, submitted by Tracy Prescott MacGregor 10/3/13
83. Letter from Jeff Whittaker, submitted 10/3/13
84. Letter from Steven Massey, Rainier City Council and Mayor Jerry Cole, submitted 10/3/13
85. Letter from Douglas Krahmer, Berries NW, submitted 10/3/13
86. Letter from Leonard Waggoner, submitted 10/3/13
87. Letter from Brian Rosenthal with attachments, submitted 10/3/13
88. Letter from Jim Lichatowich, submitted 10/3/13
89. Letter from Paulette Lichatowich, with attachments, submitted 10/3/13
90. Letter from Leon Chamberlain, submitted 10/3/13
91. Letter from Nancy Ward, submitted 10/3/13
92. Letter from Julie Webster, submitted 10/3/13
93. Letter from Steven Routon, submitted 10/3/13
94. Letter from Marcia Denison, submitted 10/3/13

95. Letter from Michael Clark, with attachments, submitted 10/3/13
96. Letter from D. Rosalie Love, submitted 10/3/13
97. Letter from Melanie Hudson, submitted 10/3/13
98. Letter from Craig Hudson, submitted 10/3/13
99. Letter (speech) submitted by Roy Staples 10/3/13
100. Letter from R. Duncan MacKenzie, submitted 10/3/13
101. Letter from Mike Oldenburg, submitted 10/3/13
102. Letter from Rosemary Lohrke, submitted 10/3/13
103. Letter from Darro Breshears-Routon, submitted 10/3/13
104. Letter from Robert and Mara Smithson, submitted 10/3/13
105. Port of St. Helens Resolution 2012-11, brochure and Senate Bill 766 submitted 10/3/13.
106. Written testimony submitted by Linda Hooper, dated 10/4/13
107. Email from Douglas Morten, dated 10/4/13.
108. Email from Beth Talmage, dated 10/3/13.
109. Email from Sarah Bean, dated 10/8/13.
110. Email testimony from Kristie Skovgaard, dated 10/8/13.
111. Letter from Arlee Nosack, dated 10/8/13.
112. Petition with 19 signatures in opposition, submitted 10/9/13.
113. Additional signatures to petition submitted by Tracy Prescott-MacGregor, dated 10/9/13.
114. Written testimony submitted by Brian Rosenthal, dated 10/9/13.
115. Email and letter from Charlotte Persons, President of Willapa Hills Audubon Society, dated 10/10/13.
116. Email testimony from Ivan Maluski, dated 10/9/13.
117. Letter from Clatskanie River Inn, dated 9/2/13.
118. Letter from Amy Valk, dated 9/2/13.
119. Letter from James Hoffmann, Hopville Farms, LLC, dated 9/4/13.
120. Letter from Christine Dahlgren, dated 9/6/13.
121. Letter from Kristie Skovgaard, dated 9/5/13.
122. Letter from Patrick Haley, dated 9/8/13.
123. Letter from Marjorie Kundiger, dated 9/8/13.
124. Letter from Lona Pierce, dated 9/10/13.
125. Letter from Brad Lucas, dated 9/11/13.
126. Mailing from Michael Kip, received 9/12/13.
127. Letter from Portland & Western Railroad, 10/15/13.
128. Letter from Brian Rosenthal, 10/15/13.
129. Petition received by Marsha Denison, dated 10/15/13.
130. Letter from Thomas Tucker, received 10/16/13.
131. Letter from Portland & Western Railroad, receive 10/16/13.
132. Email from Sue Ellen Liss, 10/8/13.
133. Email with attached letter from Ivan Maluski, Friends of Family Farmers, 10/9/13.

134. Email with attached written submission from Steve Payne, 10/23/13.
135. Letter from Lisa Mittelsdorf, Port of Morrow, 10/22/13.
136. Email from Gary Shepherd, POSH rebuttal, 10/23/13.
137. Final Argument submitted by Gary Shepherd for POSH, 10/30/13.

SUPPLEMENTAL FINDINGS OF FACT AND CONCLUSIONS OF LAW**I. Introduction**

In support of its decision on PA 13-02 and ZC 13-01, In the Matter of the Application by the Port of St. Helens (hereinafter the “Applicant” or the “Port”) for a Comprehensive Plan Amendment, Zone Change and Goal 2 Exceptions to Change the Zoning of 957 Acres from Primary Agriculture - 80 (PA-80) to Resource Industrial - Planned Development (RIPD) for the Expansion of Port Westward, the Board of County Commissioners adopts the findings of fact and conclusions of law in the Staff Report dated September 11, 2013, to the extent those findings are consistent with the Board’s decision. As further support for its decision, the Board adopts the following findings of fact and conclusions of law:

II. Findings of Fact and Conclusions of Law**A. An Exception is not Justified for the Two Southern River-Front Parcels**

The subject property includes three parcels with river frontage: Tax IDs 8N4W1600-500, 8N4W2000-100 and 8N4W2900-100, also known as the Thompson property and “Thompson Island.” For the reasons that follow, the Board finds that a reasons exception to Goal 3 is not justified for the two southern river-front parcels (8N4W2000-100 and 8N4W2900-100), which combined are approximately 120 acres.

As an initial matter, the Port has identified tax lot 500, the northernmost of the three parcels, as critical for future dock expansion. Port Westward is one of a few deepwater ports in Oregon, and its viability is of state economic importance.¹ Tax lot 500 is adjacent to the Port’s

¹ See ORS 777.065, which provides:

“Development of port facilities at certain ports as state economic goal; state agencies to assist ports. The Legislative Assembly recognizes that assistance and encouragement of enhanced world trade opportunities are an important function of the state, and that development of new and expanded overseas markets for commodities exported from the ports of this state has great potential for diversifying and improving the economic base of the state. Therefore, development and improvement of port facilities suitable for use in world maritime trade at the Ports of Umatilla, Morrow, Arlington, The Dalles, Hood River and Cascade Locks and the development of deepwater port facilities at Astoria, Coos Bay, Newport, Portland and St. Helens is declared to be a state economic goal of high priority. All agencies of the State of

existing dock facility and alongside a deeper channel of the river. The vitality of Port Westward's deepwater port is of high economic importance for Columbia County because of its potential to attract traded-sector, global industries. Moreover, the County's Comprehensive Plan recognizes the Columbia River as one of its most valued, yet largely underutilized, transportation resource. The County's Transportation System Plan, which is incorporated into the Comprehensive plan, provides: "Industrial uses shall be encouraged to locate in such a manner that they may take advantage of the water and rail transportation systems which are available to the County." The Columbia River is also recognized as a Marine Highway Corridor – M-84, underscoring the river's importance in serving local, regional and national transportation needs. (See Exhibit 8 of Application). The expansion of the dock facility is consistent with the Comprehensive Plan because it will further promote the use of the County key transportation asset, the Columbia River.

While the Board finds that allowing expansion of dock facilities onto tax lot 500 will promote the viability of the Port Westward's deepwater port consistent with the Comprehensive Plan, the Board finds that not to be the case for the two southern river-front parcels. In contrast to tax lot 500, the two southern parcels are not critical for dock expansion. A slough separates the two southern parcels from most of the subject property, creating a long and narrow peninsula of riparian habitat and containing identified wetlands. The parcels are also in a flood plain. Development on the two southern parcels could have significant impacts on the riparian habitat, even if such development spans over the parcels as the Port has envisioned. In addition to its value as riparian habitat, evidence in record also indicates that the southern parcels contain seining grounds used by early settlers.

The Board recognizes the importance of dock facilities for a viable deepwater port, but finds that the record lacks evidence of the need to expand into the southern parcels. The Board is simply not convinced that expanded dock facilities cannot be confined to tax lot 500. Weighing the Goal 5 (Open Space, Scenic and Historic Areas, and Natural Resources) values – environmental sensitivity, habitat value and historic value – of the southern parcels against an undefined need to expand dock facilities into that area, the Board concludes that an exception to Goal 3 for the two parcels along the river is not justified at this time. Accordingly, the Board denies the application as to the two southern river-front parcels, identified as 8N4W2000-100 and 8N4W2900-100 and totaling approximately 120 acres.

B. The County will Evaluate the Impact of Increased Unit Trains when Development is Proposed.

Much testimony in opposition focused on the negative impact of increased unit trains on

Oregon are directed to assist in promptly achieving the creation of such facilities by processing applications for necessary permits in an expeditious manner and by assisting the ports involved with available financial assistance or services when necessary."

the County's transportation system. With the Portland and Western rail line running through the middle of many of the County's cities, there is no question that unit trains impact communities by temporarily cutting off access from one side of a community to the other. The result is increased travel time for movement of people and goods alike. However, rail transport is firmly part of the County's transportation system and plays an integral role in the County's economic growth. The County's Transportation System Plan ("TSP") provides that the system of rail and water transportation in the County represents a resource for future economic development. The TSP recognizes the rail line paralleling the Columbia River as traditionally being the primary mode of transporting goods through the County, stating that "rail lines within Columbia County represent a benefit for potential industrial sites in Port Westward[.]" (TSP 4.4). The TSP further provides: "Industrial uses shall be encouraged to locate in such a manner that they may take advantage of the water and rail transportation systems which are available to the County." (TSP 1.3). The movement of goods is essential for business, especially traded-sector industries, and the County must leverage all of its transportation infrastructure, including rail, to attract such industries. Consistent with the TSP, the application attempts to promote and take advantage of the rail system.

But to be sure, this is an application to change zoning, to make industrial land available and to put Columbia County in a more competitive position to attract industrial businesses that bring income and jobs into the county. It is not an application for a specific development, and thus, includes no specific rail transport plans. Preventing industrial land expansion at Port Westward because of future possible, yet currently undeterminable, rail use is an overly restrictive way to address rail impacts. Such a prohibition would preclude all potential industrial uses whether or not they include a rail component and whether or not mitigation can address adverse impacts. The County is better served by having industrial land available and addressing impacts when specific uses are proposed and planned rail use is known.

To address the potential impact of increased rail, the Board has added a condition to require proposed uses to submit a rail plan identifying the number and frequency of trains, the impacts of those trains on the County's transportation system, and how those impacts will be mitigated. Conditions of approval run with the land and will apply to future uses on the subject property.

Moreover, because the only uses allowed outright in the RIPD zone are farm uses and forest-related uses (see CCZO Sec. 682), most uses will only be allowed on the subject property following a Uses Permitted under Prescribed Conditions review (hereinafter "UPPC"). The UPPC process involves a public hearing before the Planning Commission and requires compliance with criteria that includes, among others: conformance with the Comprehensive Plan; identification and mitigation of adverse impacts on the surrounding area; and availability of needed infrastructure.²

² A recurring concern expressed in testimony was that proposed uses would not be reviewed by the County and would not involve a public hearing if the Port obtains a Regionally

In sum, the County will review the impacts and mitigation of increased rail usage at the time a use is proposed and its rail needs are known. Unless the use is allowed outright – and most industrial uses will not be – the County will conduct a UPPC review, which provides for public participation.

C. An Exception to Goal 3 is not Justified for the Storage, Loading or Unloading of Coal.

The Board also heard numerous objections to the possibility of coal being transported by rail to Port Westward. As discussed, this application is not for any specific use, such as a coal terminal but for a zone change from agriculture to resource industrial. However, as demonstrated by testimony and evidence in the record, Kinder Morgan had a lease option on part of the subject property and planned to develop a coal export terminal. Although Kinder Morgan no longer intends to locate at Port Westward, the concern remains that industrial zoning at Port Westward would open the door to another outdoor coal storage facility, especially because coal-handling is one of the proposed uses the Port has identified for the subject property.

The Board finds that evidence in the record supports the objections that coal transport, storage, loading or unloading on the subject property may negatively impact neighboring agricultural and industrial uses. Studies done by BNSF Railway indicate that, without mitigation,³ 500 pounds to a ton of coal can escape from a single loaded coal car. (Exhibit 32 of Columbia Riverkeepers letter dated May 3, 2013). Coal dust emissions from coal transported to Port Westward by rail is therefore a real concern. In the case of a neighboring mint farm, for example, coal dust that coats mint leaves cannot be washed off without seriously affecting quality and yield of the mint oil derived from the leaves. (Mike Seely letter dated April 1, 2013.) Similar issues would face neighboring berry farms. With respect to the impact on industry, the record shows that coal dust could negatively impact existing industrial plants at Port Westward. News articles submitted by Columbia Riverkeeper identify PGE's concern that coal dust would interfere with equipment at its natural gas combustion plant at Port Westward, and that PGE rejected Kinder Morgan's proposal. (See Exhibits 12 and 14, Columbia Riverkeeper letter dated

Significant Industrial Area designation by the State pursuant to Senate Bill 766, adopted in 2011, codified at ORS 197.722 to 197.728. Port Westward is not currently a Regionally Significant Industrial Area, but if it should obtain such a designation – which requires a public rulemaking process – development applications would still be reviewed by the County. ORS 197.724. The County, however, would review the application under the expedited process prescribed in ORS 197.365 and 197.370, which allows for public comment but does not provide for a public hearing before County officials. *Id.*

³ BNSF has studied coal dust emissions because escaped coal dust can seriously damage track structure as well as the ballast along rail lines. BNSF studies also indicate that coal dust emissions can be greatly reduced through the use of certain measures, such as surfactant and modified chutes. (Exhibit 32 of Columbia Riverkeeper letter dated May 3, 2013).

May 3, 2013).

The Port's application and subsequent testimony and submittals does not adequately address the negative impacts of coal dust. Any failure to address coal dust impacts, however, is likely because a coal terminal is not part of this application. Nevertheless, the Board finds that coal dust emissions could seriously impact neighboring farms and industry. Such impacts must be addressed before coal-related uses will be allowed on the subject property. In light of the potential impact of coal dust on the neighboring agricultural land as well as existing industry at Port Westward, the Board concludes that an exception to Goal 3 is not justified for uses involving the storage, loading or unloading of coal on the subject property.

D. Exceptions to Goals 4, 11, and 14 are Unwarranted.

Columbia Riverkeeper, Leslie Ann Hauer and others (collectively referred to as "objectors") assert that the proposal requires Goal 2 exceptions to Goals 4 (Forest Lands), 11 (Public Facilities), and 14 (Urbanization). For the reasons that follow, the Board finds that exceptions to Goals 4, 11, and 14 are unwarranted.

1. An Exception to Goal 4, Forest Lands, is Unwarranted Because the Subject Property Contains No Designated Goal 4 Forest Lands.

Columbia Riverkeeper argues that the Port's application failed to include a Goal 2 Exception to Goal 4, Forest Lands. Riverkeeper relies on the definition of "forest lands" in the County's Comprehensive Plan, which includes "forest lands in urban and agricultural areas that provide urban buffers, wind breaks, wildlife and fisheries habitat, livestock habitat, scenic corridors and recreational use." Riverkeeper thus posits that "[f]orest lands on the property include the Thompson parcel, land currently used for the production and processing of trees, and forested areas within agricultural areas that provide wildlife and fisheries habitat." (Columbia Riverkeeper letter dated May 3, 2013 at 5 (internal citations omitted)).

But Riverkeeper's argument misses a critical point. The land in question has not been *designated* as a Goal 4 resource by the County's Comprehensive Plan, and therefore does not require a Goal 4 exception to remove the designation. For land to be a Goal 4 resource, the County must designate it as Forest-Conservation in the Comprehensive Plan.⁴ In other words, land is not Goal 4 Forest Land in Columbia County unless it has been designated as Forest-Conservation. Once property has been designated as Forest-Conservation, a Comprehensive Plan

⁴ Land that is designated Forest-Conservation is zoned Primary Forest (PF-80) or Forest-Agriculture (FA-80). (Columbia County Comprehensive Plan, Part IV., Policy 2). None of the subject property contains PF-80 or FA-80 zoning.

Amendment would be necessary to change that designation.⁵ Moreover, a Goal 2 exception would also be required if the proposed amendment does not comply with Goal 4. Since none of the subject property has been designated Forest-Conservation, an exception to Goal 4 is unwarranted.

Even if an exception to Goal 4 were required, the Port properly amended its application to request such an exception, and the County provided public notice of the requested Goal 4 exception. The Board finds that if an exception to Goal 4 is required, the application meets the criteria for such an exception and adopts the same findings and conclusions the Board relied on in support of its exception to Goal 3.

2. An Exception to Goal 11, Public Facilities and Services, is Unwarranted Because the Application Does Not Propose Sewer Facilities.

The Goal 2 Exceptions process requires an exception to Goal 11 for establishment or extension of a new sewer line on rural land. OAR 660-004-0010(1)(c) states that the exceptions process is applicable to “Goal 11 ‘Public Facilities and Services’ as provided in OAR 660-011-0060(9). OAR 660-011-0060(9) further states, in part:

“A local government may allow the establishment of *new sewer systems or the extension of sewer lines* not otherwise provided for in section (4) of this rule, or allow a use to connect to an existing sewer line not otherwise provided for in section (8) of this rule, provided the standards for an exception to Goal 11 have been met, and provided the local government adopts land use regulations that prohibit the sewer system from serving any uses or areas other than those justified in the exception.” (Emphasis added).

Thus, an exception to Goal 11 is only be required for *a new or extended sewer system* on rural land. The Port’s application is for a Comprehensive Plan Amendment and Zone Change and does not propose any development, including establishment or extension of sewer systems. An exception to Goal 11 is therefore not required as part of this application. However, when sewer systems are proposed in the future for the subject property, an exception to Goal 11 may be required at that time. The RIPD zone is a rural zone, and any proposed sewer facilities will be subject to the requirements of Goal 11.

⁵ Statewide Planning Goal 4 requires counties to inventory, designate, and zone forest lands. Goal 4 defines forest lands as those lands acknowledged as forest lands as of the date of adoption of the goal amendment. In accordance with Goal 4, Columbia County adopted Part IV of its Comprehensive Plan. In that effort, it identified forest lands throughout the county, and then classified and zoned them as such. The subject property does not include any land acknowledged as forest lands as of the date of adoption of Goal 4.

3. An Exception to Goal 14, Urbanization, is Unwarranted because the Application is Subject to the Exceptions Provisions for Rural Industrial Development.

Objectors challenge the application's compliance with Part IX of the Comprehensive Plan and Statewide Planning Goal 14, both of which address Urbanization. Because Part IX and Goal 14 prohibit urban development outside of acknowledged urban growth boundaries (UGBs), objectors argue that industrial development is therefore prohibited on the subject property, which is outside of a UGB, without an exception to Goal 14. The Port, on the other hand, argues that such an exception is not required because rural industrial development receives a special exemption from Goal 14 pursuant to OAR 660-004-0022(3), which provides specific criteria for a Goal 2 Exception for Rural Industrial Development.

The Board agrees with the Port and adopts and incorporates herein by this reference the reasoning expressed in the Port's written testimony. (Gary Shepherd letter, dated May 27, 2013, at 8-9). In the alternative, the Board also finds that even if a separate exception to Goal 14 were required, sufficient facts and analysis in the record support such an exception. Specifically, OAR 660-014-0040(2) provides that a county can justify an exception to Goal 14 to allow urban development of rural land if urban development is "necessary to support an economic activity that is dependent upon an adjacent or nearby natural resource." The County's Comprehensive Plan recognizes the need for large, isolated sites for heavy industry that are supported by services, including multi-modal transportation. The application here is for the expansion of an industrial park adjacent to a deep water port on the Columbia River to promote the shipment of goods and thus meets the criterion.

OAR 660-014-0040(3) provides that to approve such an exception, a county must also find:

“(a) That Goal 2, Part II (c)(1) and (c)(2) are met by showing that the proposed urban development cannot be reasonably accommodated in or through expansion of existing urban growth boundaries or by intensification of development in existing rural communities;

(b) That Goal 2, Part II (c)(3) is met by showing that the long-term environmental, economic, social and energy consequences resulting from urban development 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 on other undeveloped rural lands, considering:

(A) Whether the amount of land included within the boundaries of the proposed urban development is appropriate, and

(B) Whether urban development is limited by the air, water, energy and land resources at or available to the proposed site, and whether urban development at the proposed site will adversely affect the air, water, energy and land resources of the surrounding area.

(c) That Goal 2, Part II (c)(4) is met by showing that the proposed urban uses are compatible with adjacent uses or will be so rendered through measures designed to reduce adverse impacts considering:

(A) Whether urban development at the proposed site detracts from the ability of existing cities and service districts to provide services; and

(B) Whether the potential for continued resource management of land at present levels surrounding and nearby the site proposed for urban development is assured.

(d) That an appropriate level of public facilities and services are likely to be provided in a timely and efficient manner; and

(e) That establishment of an urban growth boundary for a newly incorporated city or establishment of new urban development on undeveloped rural land is coordinated with comprehensive plans of affected jurisdictions and consistent with plans that control the area proposed for new urban development.”

To the extent that the objectors argue that the Port did not address the above criteria, the Board finds that the application addressed all of the above criteria in its exception statement and supporting testimony. In conclusion, the Board finds that an Exception to Goal 14 was not required, but if it were, the application meets the criteria under OAR 660-014-0040(3) for the same reasons that it meets the criteria under OAR 660-004-0020 and 660-004-0022(3) for a reasons exception to allow industrial use of resource land.

E. The Application Complies with the Statewide Planning Goals 5, 6, 7 and 12.

Testimony in the record from multiple sources asserts that the application fails to comply with Goals 5, 6, 7 and 12. For the reasons that follow, the Board finds that its approval of the application subject to conditions complies with all criteria, including Goals 5, 6, 7 and 12.

Goal 5 (Open Space, Scenic and Historic Areas, and Natural Resources). As discussed in the Staff Report, the subject property includes inventoried Goal 5 resources. Specifically, the County’s Comprehensive Plan identifies portions of the property as waterfowl habitat, wetlands, and fish habitat. The river-front parcels contain the most significant habitat,

and thus, the Board has denied the application as to the two southern river-front parcels to ensure protection of those Goal 5 resources. To the extent Goal 5 resources exist on the remainder of the subject property, the existing Riparian Zone and wetland regulations will continue to apply to ensure that any development will meet criteria designed to protect those resources. The application does not propose the removal of the riparian zone or wetland mapping or the removal of any inventoried Goal 5 resource. The Board thus finds that this objection lacks factual support and that the application as approved complies with Goal 5.

Goal 7 (Areas Subject to Natural Hazards). Goal 7 provides: "Local governments will be deemed to comply with Goal 7 for coastal and riverine flood hazards by adopting and implementing local floodplain regulations that meet the minimum National Flood Insurance Program (NFIP) requirements." In 2010, the County adopted Ordinance 2010-6, "In the Matter of Amending the Columbia County Zoning Ordinance, Section 1100, Flood Hazard Overlay Zone, to comply with the National Flood Insurance Program Regulations." The County's Zoning Ordinance thus currently complies with the Goal 7 requirements relating to floodplains. The subject property has been zoned to comply with floodplain regulations in accordance with Goal 7, and any development will be required to meet those regulations. The Board finds that the application as approved is consistent with Goal 7.

Goal 6 (Air, Water and Land Resources) and Goal 12 (Transportation) . The Board finds that the application complies with Goals 6 and 12 for the reasons explained in the Staff Report and the Port's submittal by Gary Shepherd, dated October 29, 2013 (and supporting documents referenced therein).

F. The Existing RIPD-Zoned Land at Port Westward is Insufficient to Meet the County's Industrial Land Needs

The Board heard testimony that the application should be denied because sufficient vacant RIPD-zoned land already exists at Port Westward. The Port has argued that the land referenced is largely under the control of PGE through a 99-year lease and is not readily available for industrial development.⁶ Those leased lands accommodate power generating facilities and accompanying uses, including buffers, designated wetlands and wetland mitigation. Objectors argue that PGE's control of the land does not preclude development of the land. Although PGE

⁶ As described in the Comprehensive Plan, in 1966, the Federal Government deeded the old Beaver Army Terminal Ammunition Depots to the Port of St. Helens for economic development. In 1967, the Port leased the property for 99 years to Westward Properties, a subsidiary of Kaiser Aetna. In 1973, Portland General Electric (PGE) bought Kaiser Aetna's leasehold and built Beaver Generating Plant. Other energy production uses have located at Port Westward including Columbia Pacific Bio-Refinery and two natural gas turbine electrical generators. PGE as leaseholder controls which uses it will allow on the leased property pursuant to the terms of the 99 year lease.

does indeed control much of the existing Port Westward property through its lease – and its control of the property does not necessarily render the land unavailable for development – the land under lease is still insufficient. As the Port has explained in its testimony, much of the existing RIPD-zoned land at Port Westward is committed to development or is used as buffers, wetland mitigation, easements, etc. The Board thus finds that although Port Westward currently includes land available for industrial development, that land is not sufficient to meet the County’s shortage of large-lot industrial land.

G. Although an Alternative Sites Analysis was not Required, the Applicant Analyzed Alternative Sites in Accordance with the Exception Criteria.

The Board heard testimony that the application failed to meet the criteria for a Goal 2 Reasons Exception because the proposed industrial uses could be located elsewhere in the County, Portland, and the region. They further argued that the Port failed to provide an alternative sites analysis required by OAR 660-004-0020(2)(b)(C). Under that provision, the applicant is required to perform a broad review of similar sites unless another party describes specific sites that can more reasonably accommodate the proposed use. The rule further explains, a “detailed evaluation of specific alternative sites is thus not required unless such sites are specifically described, with facts to support the assertion that the sites are more reasonable[.]” In this case, objectors broadly identified alternative sites, but did not describe facts to demonstrate that the sites would be more reasonable. Accordingly, the Board finds that the Port was not required to perform an alternative sites analysis.

But even if objectors had sufficiently described alternative sites, the Port nevertheless provided an alternative sites analysis that meets the standard of OAR 660-004-0020(2)(b)(C). The record includes extensive documentation on the shortage of large lot industrial sites in the entire region. Reports from both private and public entities, from state and regional interests, confirm the shortage. The record lacks evidence to support the objectors’ claims that other large lot industrial lands capable of supporting heavy industrial, multi-modal dependent development projects in an economic and efficient manner exist. The Port’s alternative sites analysis demonstrates that objectors’ alternative sites are not comparable or suitable alternatives economically, physically, geographically or otherwise. Port Westward and the proposed expansion land benefits from existing infrastructure and services that need only be extended to a new development site (rather than developing all new infrastructure) and an existing deep-water port and multi-modal transportation support. No other property in the County can better and more efficiently meet the industrial land need. The alternative sites therefore cannot more reasonably accommodate the proposed use. The Board thus finds that the Port has met the requirements OAR 660-004-0020(2)(b)(C).

H. Large-Scale Industrial Development Can Be Compatible with Farming.

The Board heard testimony that large scale industrial development is inherently incompatible with farming – that the two cannot coexist. The Board heard testimony from the

owner of Seely's Mint Farm that his farm could coexist with certain uses but not others. The Board also heard testimony that large-scale industrial development and farming can be compatible, and in fact, farms and industrial uses have coexisted at Port Westward for decades.

ORS 197.732(2)(c)(D) and OAR 660-004-0020(2)(d) require an applicant to show that proposed uses are compatible with adjacent uses or can be so rendered through measures designed to reduce adverse impacts. The Board finds that in this case, compatibility can be ensured in two ways. First, CCZO § 683.1 requires that future development applications on RIPD-zoned land demonstrate that the proposed use is compatible with farming and adjacent uses. Second, the Board has developed conditions of approval to address concerns raised by farmers. For instance, one condition of approval requires development applications to provide an agricultural impact assessment to demonstrate impacts on adjacent agricultural uses and propose mitigation. The conditions of approval will run with the land, binding the property and future users in a manner that exceeds the requirements of the Zoning Code.

III. Conclusion

Generally, Comprehensive Plan amendments involve the balancing of competing goals and policies. For example, County and Statewide planning goals seek to preserve agricultural land, but also recognize the importance of allowing for rural industrial development on those lands when appropriate and justified. Such a situation requires the decision maker to balance those competing goals and policies. The Board has done that here in reviewing the application, evidence and testimony.

The Board concludes that the findings in the Staff Report dated September 11, 2013 that are consistent with the Board's decision and the above supplemental findings are supported by substantial evidence in the record. Those findings support the Board's conclusion that the application as approved with conditions complies with the Comprehensive Plan and the Statewide Planning Goals.

COLUMBIA COUNTY BOARD OF COMMISSIONERS

PLANNING STAFF REPORT

September 11, 2013

Major Map Amendment

HEARING DATE: September 18, 2013

FILE NUMBER: PA 13-02 & ZC 13-01

APPLICANT/ OWNERS:	Port of St. Helens; 100 E Street Columbia City, OR. 97018	Thompson Family 4144 Boardman Ave. E Milwaukie, OR. 97267
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Representative: Gary Shepherd, Port Attorney
Oregon Land Law
PO Box 86159
Portland, OR. 97286

SITE LOCATION: **Port Westward Industrial Site** - Adjacent to the east, south and west

TAX MAP NOS: 8N4W 16 00 500
8N4W 20 00 100, 200, 300
8N4W 21 00 300, 301, 400, 500, 600
8N4W 22 00 400, 500, 600, 700
8N4W 23 00 900
8N4W 23 B0 400, 500, 600, 700
8N4W 29 00 100

ZONING: Primary Agriculture - 80 (PA-80)

SITE SIZE: Approximately 957 acres Port owned = 786 acres
Thompson family owned = 171 acres

REQUEST: Add the above site to a Rural Industrial designation adjacent to the existing Port Westward Industrial Park. This is a **Major Map Amendment** consisting of a **Comprehensive Plan Amendment** to change property designated Agriculture Resource to Rural Industrial and a **Zone Change** from Primary Agriculture - 80 (PA-80) to Rural Industrial - Planned Development (RIPD).

APPLICATION COMPLETE: February 19, 2013

150-DAY DEADLINE: N/A ORS 215.427(6)

APPLICABLE REVIEW CRITERIA:

<u>Columbia County Zoning Ordinance</u>		<u>Page</u>
Section 680	Rural Industrial - Planned Development (RIPD)	3
Section 1502	Zone Changes (PA/ZC)	6
1502.1(A)(1)	Consistency with the <u>Comprehensive Plan</u>	7
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BACKGROUND:

The applicant's purpose of this Major Map Amendment is to expand the Port Westward Industrial Area to accommodate in the long term, future maritime and large lot industrial users that will benefit from the moorage and deepwater access, existing services, energy generation facilities and rail/highway/water transportation facilities. The subject property borders the existing industrial zoned property to the south and wraps around to the west and east. To the north is the Columbia River and Bradbury Slough, open to deep water navigation. The subject property is comprised of 19 tax lots, generally flat, and undeveloped, consisting of individual farmland plots generally used as cottonwood pulp, vacant pasture and mixed crop hayfield.

An expansion of the Port Westward Industrial Park(PWIP) is needed to accommodate the siting and development of maritime and large scale industrial users, other than energy production related uses. The need is for two basic reasons; first, almost all of the vacant and undeveloped land already zoned industrial, is identified as wetlands; and, second Portland General Electric (PGE) leases 95% of the existing industrial zoned land for future energy production uses. For long range planning purposes, the County should acknowledge and preserve PGE's large acreage for energy production and buffer, while opening up this surrounding subject property to other "port" related industrial users.

The National Wetlands Inventory (NWI) and County Beak maps only identify small plots of wetlands on the subject property. The site is also identified as being within major water fowl habitat according to the County's Beak maps, and zone X, not in flood hazard, per FEMA FIRM 41009C0050 D, dated November 26, 2010.

Even though the proposed expansion of the Port Westward Industrial Area seems very large, 957 acres, the State Land Conservation and Development (DLCD) acknowledges the site's uniqueness and comparative advantages. The Port Westward Industrial Park would be well suited to attract large lot, maritime, rural industrial users.

This application is not for a specific use or development, but rather for a zone change to RIPD to allow future uses other than agriculture. Moreover, as explained in this Staff Report, the only uses allowed outright in the RIPD zone are farm uses and management, production and harvesting of forest products. All other uses can only be allowed if approved by the Planning Commission through a "Use Permitted Under Prescribed Conditions" review. If approved the use will also be subject to Site Design Review.

REVIEW CRITERIA, FACTS, ANALYSIS & FINDINGS:

Columbia County Zoning Ordinance Section 680 Resource Industrial - Planned Development (RIPD)

681 Purpose: The purpose of this district is to implement the policies of the Comprehensive Plan for Rural Industrial Areas. These provisions are intended to accommodate rural and natural resource related industries which:

- .1 Are not generally labor intensive;
- .2 Are land extensive;
- .3 Require a rural location in order to take advantage of adequate rail and/or vehicle and/or deep water port and/or airstrip access;
- .4 Complement the character and development of the surrounding rural area;
- .5 Are consistent with the rural facilities and services existing and/or planned for the area; and,
- .6 Will not require facility and/or service improvements at significant public expense.

The uses contemplated for this district are not appropriate for location within Urban Growth Boundaries due to their relationship with the site specific resources noted in the Plan and/or due to their hazardous nature.

Discussion Columbia County's RIPD zone is unique to the state; there are very few similar zones in Oregon. The Port of St. Helens in their application state they have been approached by several different companies requiring large vacant industrial sites of 50 to 300 acres. Possible

uses would be a combination of maritime and industrial users that will benefit from the existing services, the moorage and deep water access, existing and future docks, the railroad and energy facilities.

Finding 1: The Port of St. Helens stated goal is to attract companies looking to export, import, process or manufacture goods with the intent of using the combination rail and maritime capabilities at this site already improved with existing facilities. These types of future uses meets the purpose of the zone, this criteria is satisfied.

RIPD 682 Permitted Uses:

- .1 Farm use as defined by Subsection 2 of ORS 215.203.
- .2 Management, production, and harvesting of forest products, including wood processing and related operations.

Finding 2: Only agricultural and forest production & harvesting are allowed outright in the RIPD zone. Any and all other industrial uses, while allowable, must be approved through Section 683.1 and meet all of the conditions imposed under Section 683.1 below.

RIPD 683 Uses Permitted Under Prescribed Conditions: The following uses may be permitted subject to the conditions imposed for each use:

- .1 Production, processing, assembling, packaging, or treatment of materials; research and development laboratories; and storage and distribution of services and facilities subject to the following findings:
 - A. The requested use conforms with the goals and policies of the Comprehensive Plan - specifically those policies regarding rural industrial development and exceptions to the rural resource land goals and policies.
 - B. The potential impact upon the area resulting from the proposed use has been addressed and any adverse impact will be able to be mitigated considering the following factors:
 - .1 Physiological characteristics of the site (i.e., topography, drainage, etc.) and the suitability of the site for the particular land use and improvements;
 - .2 Existing land uses and both private and public facilities and services in the area;

- .3 The demonstrated need for the proposed use is best met at the requested site considering all factors of the rural industrial element of the Comprehensive Plan.
- C. The requested use can be shown to comply with the following standards for available services:
- .1 Water shall be provided by an on-site source of sufficient capacity to serve the proposed use, or a public or community water system capable of serving the proposed use.
 - .2 Sewage will be treated by a subsurface sewage system, or a community or public sewer system, approved by the County Sanitarian and/or the State DEQ.
 - .3 Access will be provided to a public right-of-way constructed to standards capable of supporting the proposed use considering the existing level of service and the impacts caused by the planned development.
 - .4 The property is within, and is capable of being served by, a rural fire district; or, the proponents will provide on-site fire suppression facilities capable of serving the proposed use. On-site facilities shall be approved by either the State or local Fire Marshall.

Discussion: Generally, expansion of the Port Westward industrial development would need to be facilitated by and consistent with CCZO Section 683. Industrial development is not allowed in the present PA-80 zoning. Although industrial uses are possible under the RIPD zone, further review and approval by the Planning Commission, in a public hearing format, is required for any proposed use other than agriculture or management & production of forest products. That review is in the form of a Use Under Prescribed Conditions, which requires the mitigation of adverse impacts among other things, and Site Design Review. The Planning Commission review would take place before the issuance of any building permit in this zone. These subsequent land use permits are beyond the scope of this Major Map Amendment, and the applicable design standards and impacts of any proposed facility would be addressed at the time those permits are applied for.

Finding 3: Resource Industrial-Planned Development (RIPD) is the proper zone in Columbia County for which the applicant can achieve the objective of siting maritime and large lot industrial uses. The application would expand, by 957 acres, an existing RIPD zone at Port Westward.

Continuing with Columbia County Zoning Ordinance Section 1502 Zone Changes

- .1 Major map Amendments are defined as Zone Changes which require the Comprehensive Plan Map to be amended in order to allow the proposed Zone Change to conform with the Comprehensive Plan. The approval of this type of Zone Change is a 2 step process:
 - A. The Commission shall hold a hearing on the proposed Zone Change, either concurrently or following a hearing on the proposed amendment to the Comprehensive Plan which is necessary to allow the proposed zoning to conform with the Comprehensive Plan. The Commission may recommend approval of a Major Map Amendment to the Board of Commissioners provided they find adequate evidence has been presented at the hearing substantiating the following:
 1. The proposed Zone Change is consistent with the policies of the Comprehensive Plan;
 2. The proposed Zone Change is consistent with the Statewide Planning Goals (ORS 197); and
 3. The property and affected area are presently provided with adequate facilities, services, and transportation networks to support the use, or such facilities, services and transportation networks are planned to be provided concurrently with the development of the property.
 - B. Final approval of a Major Map Amendment may be given by the Board of Commissioners. The Commissioners shall hold a hearing on the proposed Zone Change either concurrently or following a hearing on the proposed Comprehensive Plan Amendment which is necessary to allow the proposed zoning to conform with the Comprehensive Plan. The Board may approve a Major Map Amendment provided they find adequate evidence has been presented substantiating the following:
 1. The proposed Zone Change is consistent with the policies of the Comprehensive Plan;
 2. The proposed Zone Change is consistent with the Statewide Planning Goals (ORS 197); and
 3. The property and affected area are presently provided with adequate facilities, services, and transportation networks to support the use, or such facilities, services, and transportation networks are planned to be provided concurrently with the development of the property.

Discussion: This Zone Change is a Major Map Amendment. The Planning Commission held a public hearings on May 6, 2013 and May 20, 2013, and deliberated on June 17, 2013. The Planning Commission voted 5-1 to recommend denial of the application. Chairman Guy Letourneau signed the Planning Commission's final order, which was then forwarded to the Board. The Board of Commissioners hearing is scheduled for September 18, 2013 at the Clatskanie High School. The Comprehensive Plan designation for the approximate 957 acre subject property is AGRICULTURE RESOURCE, which will need to be changed to RURAL INDUSTRIAL in order for the PA-80 to RIPD Zone Change to be possible in conformance with the Comprehensive Plan.

(Continued discussion)

THE FOLLOWING POLICIES OF THE COUNTY'S COMPREHENSIVE PLAN APPLY TO THIS PROPOSAL (THOSE NOT LISTED ARE NOT APPLICABLE):

Part II (Citizen Involvement): requires opportunity for citizens to be involved in all phases of the planning process. Generally, Part II is satisfied when a local government follows the public involvement procedures set out in State statutes and in its acknowledged Comprehensive Plan and land use regulations. This has been done for this application and explained further under Part III below.

Part III (Planning Coordination): requires coordination with affected governments and agencies. The County provided notice of the hearing with the opportunity for comments to the state DLCD, ODOT, ODOT Rail, ODFW, Oregon Department of Agriculture and applicable agencies (e.g. Soil & Water Conservation District, Roadmaster, and the Clatskanie RFPD), the Clatskanie - Quincy CPAC, and neighboring property owners within the notification area. (This list is not intended to be exclusive) Any and all comments as of the date of this report are presented under COMMENTS RECEIVED below near the end of this Report. These notifications were sent to invite participation prior to the Planning Commission and the Board of Commissioners public hearings.

The County is responsible for coordinating the plans of cities in its jurisdiction. However, in this case, the subject property is not within any city's Urban Growth Boundary.

For quasi-judicial Comprehensive Map Amendments and Zone Changes, the County's land use regulations, ORS 215.060 and ORS 197.610 require notice to the public and to the Department of Land Conservation and Development (DLCD) and two public hearings, one before the County Planning Commission and another before the Board of Commissioners.

Part V (Agriculture): The property contains a large area of Wauna Locola silt loam is Class III w, considered high-valued farm soil. Because this soil type, plus others, representing a significant portion of the subject property, staff concludes that the vast majority of the soils on the site are high-value farmlands. See related discussion under Statewide Planning Goals, Goal 3 (Agricultural Lands).

Two sensitive crops have been identified as being produced in the immediate area: blueberries and mint. Each has a long history of production and need specific conditions to do well. Many of the sandy soils found within the subject area have a history of producing high-yields of high-value crops. The ability to maintain these high-valued agricultural production units is of prime importance for the county to not only sustain, but increase their potential production. Their compatibility with potential industry nearby is discussed in Finding 9 of this report

The goal of Part V of the Comprehensive Plan is to preserve agricultural land for agricultural uses. This application would remove agricultural lands from the County's inventory (zoned PA-80). The County has approximately 55,000 acres of agricultural soil classifications of Class I, II, or III; all is zoned for Primary Agriculture. Most of the good farm soils and Primary Agriculture (PA-80) zone is located in the diked areas along the Columbia River. The largest block of PA-80 zoned property is in the diked area of Scappoose and Sauvie Island. Other significant areas include the Deer Island area north to Goble, the area just downstream of Rainier and the north county Clatskanie area. In this north county Clatskanie area, the county has zoned 16,927 acres as Primary Agriculture (PA-80). The north county primary agricultural properties extends from Mayger down stream along the river to Woodson and the Clatsop County line. Several drainage districts serve these agricultural properties, including Beaver Drainage, Midland Drainage, Marshland, Webb, Magruder, Woodson etc.. If this Plan Amendment is approved 957 acres would be removed from PA-80 zoning, representing 5.6% of the total north county Clatskanie agricultural area. For the county as a whole this loss of farm zoned property is just 1.7 % of the county's total 55,000 acres of primary agricultural inventory.

Farming is an allowed use in the RIPD zone and there are fields currently under farm lease that are zoned RIPD, and can remain so. But, if zoned RIPD, certain non-agricultural industrial uses would likely be sited, given the site's proximity to valuable Port Westward Industrial Park. As such, this proposal will require an exception to Oregon Statewide Planning Goal 3, as detailed below under Statewide Goal 3. The applicant's proposed exception document is attached to this staff report.

Part X (Economy): This goal generally regards economic strength and diversity in the County. Though agricultural related practices contribute to the County's economy, industrial operations do too. In addition, industrial operations typically provide a tax base in greater proportion to public services provided and result in more permanent jobs. Many residing in the County commute outside its borders. Industrial land and the jobs it creates helps balance the jobs to residence ratio (currently in favor of residences). Moreover, it is likely that the future development resulting from this Major Map Amendment will be for maritime exporting, which is itself an ingredient to economic growth of the state and region.

Good industrial sites are often determined by location factors. This is the case with Port

Westward. As explained by the applicant, proximity to the Columbia River and existing maritime infrastructure including docks, rail spurs, and private and public utility infrastructure, as well as the Port's facilities and services, makes the site valuable for industrial use and economic development.

For these reasons, this proposal is in compliance with the goals and policies of Part X Economy.

Part XII (Industrial Siting): This goal addresses the need for industrial land such as that located at Port Westward. This part of the Comprehensive Plan also contains the basis for the original Port Westward zoning for industrial use rather than farm use. Generally, the original exception in the Plan to Statewide Planning Goal 3 for agriculture lands, per Goal 2, was justified for Port Westward given need (e.g. economics, employment and the site's unique characteristics) and irrevocable commitment (pre-existing use of the land before the Comprehensive Plan was adopted in 1984). This Major Map Amendment will allow expansion of the site and as explained by the applicant, development of additional industrial uses in this area will create new and continuous employment opportunities, promote economic growth, and maximize existing public and private investments. In other words, this is an expansion of a justified and important industrial site in the County and thus, this proposal is in compliance with Part XIII Industrial Siting of the Comprehensive Plan.

Part XIII (Transportation): The goal of Part XIII is the creation of an efficient, safe, and diverse transportation system to serve the needs of Columbia County residents. The two most applicable objectives of Part XIII as it relates to this proposal are: 1) to utilize the various modes of transportation that are available in the County to provide services for the residents, and 2) to encourage and promote an efficient and economical transportation system to serve the commercial and industrial establishments of the County.

Three modes of transportation apply to this proposal: waterborne, rail and auto/truck. The Comprehensive Plan discusses how the Columbia River and its deep water access is one of the County's most valuable transportation resources. It also mentions that the Columbia River is underutilized for this purpose. In addition, only certain parts of the County have access to functional railroads. The subject property and Port Westward Industrial Park has access to the Hwy 30 rail line operated by Portland & Western Railroad Inc. This Major Map Amendment will provide the ability for rural industrial expansion of the Port Westward site, which utilizes both the river access and rail route. Given the County's overall dependance on automobiles and trucks for transportation, the ability to use other modes of transportation lessens the burden on the roads. Though roads will continue to be a means of accessing the site as well, there are other existing options for addressing the impacts on local roads.

Early in the application process, Oregon Department of Transportation (ODOT) expressed concern that a Transportation Impact Analysis (TIA) was not presented in the application. The applicant immediately acquired the services of Lancaster Engineering to provide a TIA.

At the time of the Planning Commission hearing, Lancaster's TIA was in draft form. Comments and concerns from the City of Clatskanie, Columbia County and the State ODOT have now been incorporated into the TIA. The August 27, 2013 Transportation Impact Analysis includes operational analysis on five intersections: Highway 30 at Nehalem Street, Nehalem Street at 5th street, Highway 30 at Van Street, Highway 30 at Beaver Falls Road and Highway 30 at Old Rainier Road (Alston/Mayger Road). These study intersections are operating at acceptable levels and will continue to do so through the year 2033 planning horizon or under a trip cap of 332 PM peak-hour trips for the subject property is reached. Without knowing what industry will site on the subject property and its subsequent traffic characteristics, Lancaster Engineering states that it is appropriate to establish a "trip cap" on the subject property in order to limit the magnitude of traffic impacts from future development. Since the trip cap will limit the development potential it also serves as a reasonable "worst case" traffic scenario. If 332 or fewer PM peak-hour site trips are generated by future development within the subject property, the impact intersections will continue to operate acceptably without the need for operational or safety improvements. Lancaster Engineering recommends that a traffic study be prepared for each new development and impacts of both passenger car and heavy truck traffic be commensurate with mitigation measures, established to improve local roads when needed. The City of Clatskanie also has impacts on local roads.

Historically, the local roads that provide access to Hwy 30 have been improved sequentially as new industrial uses are sited at the Port Westward Area. Through a Transportation Improvement Agreement all new industrial site users contribute a proportional fee to the County for local road improvements. These agreements were the catalyst for past substantial improvements to Beaver Falls Road, Mayger Road and Kallunki Road with engineering work on Hermo Road. Although the current local roads serving Port Westward are insufficient to support new industrial development at the scale proposed by this application, any new industrial user in the Port Westward Area will be required to pay a Transportation Improvement Fee to address its uses and impacts on local transportation.

Part XIV (Public Facilities & Services): The goal of Part XIV is to plan and develop a timely, orderly, and efficient arrangement of public services as a framework for urban and rural development. The subject property is located adjacent to the Port Westward area, a rural industrial park. There are no urban facilities within 6 miles of the proposal. Significant investments have already been made in the Port Westward area's services and facilities, including water, sewer, new electrical substation, natural gas mainlines, and fire protection services. The area also has existing rail systems and a full-service 1,250 foot dock. There are also public and private energy transmission facilities in the Port Westward area. There is an existing framework of facilities for allowing additional rural industrial development in the area. Staff concurs that with this existing substantial investment in services and facilities already in the area, an expansion of industrial land as proposed would be efficient from a facilities and services standpoint. This proposal is consistent with Part XIV.

Part XVI (Goal 5: Open Space, Scenic & Historic Areas, and Natural Resources): The purpose of this Part is to protect cultural and natural resources. Three resources apply to this site: 1) open space, 2) wildlife habitat and 3) wetlands.

The County is not aware of any cultural resources on the subject property. An older cultural site was discovered near the river, fenced and protective signage placed to protect the area for future excavation. This site is on the existing Port Westward Industrial Park. No cultural sites are anticipated to be discovered on the subject property; however, if a site is discovered the owner is required to contact the County and the State Historic Preservation Office.

Open space is not specifically inventoried in the County; though, most of the County is zoned for resource PF-80, FA-80 or PA-80; and, the primary intent of this zoning is to conserve resource lands for resource uses, but the resource zones also protect open space as a secondary function. The subject property is zoned PA-80 and will be re-zoned to RIPD given successful completion of this Major Map Amendment. Given the zoning designation alone, open space could conceivably be compromised. However, in this case, the subject property is already bordering RIPD Industrial zoning. Hence, any impact to open space should be minimal. Open space is already compromised by this adjoining industrial area

With regards to wildlife, the site is identified as being within major waterfowl habitat. Potential conflicting uses to waterfowl habitat generally apply to removal of water bodies (e.g. streams and sloughs) and wetlands. The subject property does contain wetlands, however there is no evidence this Major Map Amendment itself will compromise water fowl habitat, though subsequent development if authorized could. Albeit, any development would be subject to regulation of the County and other applicable agencies such as the Division of State Lands and Oregon Department of Fish and Wildlife to address and mitigate any issues when an application for a particular use is submitted.

Finally, and as already noted, the site does not contain any significant wetlands, however there are some wetlands associated with crossing sloughs and drainage ways. The intensity of development possible on RIPD zoned land is greater than PA-80; however, development would be subject to regulation of the applicable agencies (e.g. County, Division of State Lands, and the Army Corps of Engineers) to address and mitigate any wetland impacts. It is likely that any development, if initially authorized, would require a wetland delineation to determine wetland boundaries and potential impacts.

As there is no evidence to suggest this Major Map Amendment will compromise the identified Goal 5 resources on the subject property, it complies with Part XVI.

(Continued discussion) - Zoning Ordinance 1502.1(A)(2)

OREGON'S STATEWIDE PLANNING GOALS (similar to Comprehensive Plan Goals)

Goal 1 (Citizen Involvement): Goal 1 requires opportunity for citizens to be involved in all phases of the planning process. Generally, Goal 1 is satisfied when a local government follows the public involvement procedures set out in the statutes and in its acknowledged Comprehensive Plan and land use regulations.

For quasi-judicial Comprehensive Plan Amendments and Zone Changes, the County's land use regulations, ORS 215.060 and ORS 197.610 require notice to the public and to the Department of Land Conservation and Development (DLCD) and public hearings before the County Planning Commission and Board of Commissioners. By complying with these regulations and statutes, the County complies with Goal 1.

The County provided notice to DLCD on February 20, 2013. Agency referrals were sent to the Clatskanie-Quincy CPAC, Clatskanie RFPD, Soil & Water Conservation District, OSU Agricultural Office, Clatskanie PUD, Oregon Department of Agriculture, Oregon ODOT, Natural Resources Conservation Service, and the County Roadmaster and Assessor. Any and all agency comments are under "COMMENTS RECEIVED" below. In addition, property owners within the required notice area were notified of the Planning Commission hearing. The first hearing was scheduled for April 1, 2013; however due to a lack of quorum, that meeting was rescheduled. For this matter, before the Planning Commission, a second, rescheduled and corrected notice was sent to property owners and affected parties on April 10, 2013. The first hearing before the Planning Commission was scheduled for May 6, 2013 and continued through May 20, 2013. The hearing before the Board of County Commissioners is set for Wednesday, September 18, 2013 at 6:30 PM. The staff finds that Goal 1 has been satisfied.

The County has received comments characterizing the location the hearing "unprecedented" because it will be held in Clatskanie rather than the Board's usual meeting location in St. Helens. Such statements are a mischaracterization. The Board frequently holds hearings in the community near the subject property, such as The Great Vow Zen Monastery conditional use, which was held near its location in Clatskanie; the Port Westward Urban Renewal public hearings, which were held near Clatskanie; re-zoning at the Vernonia Airport, which was held in Vernonia, just to name a few. Contrary to the criticisms, the Board holds hearings in the community near the subject property to encourage more public involvement, especially by those who are most affected by the proposal. Also, the Board is holding their meeting in the evening rather than at their normally scheduled 10 am, to make it easier for people to attend and testify.

Goal 2 (Land Use Planning), Part I: Goal 2, Part 1 requires that actions related to land use be consistent with acknowledged Comprehensive plans of cities and counties. Consistency with the applicable provisions of the acknowledged Columbia County Comprehensive Plan is demonstrated within.

Goal 2, Part I also requires coordination with affected governments and agencies and an adequate factual base. Affected agencies have been notified as explained under Goal 1, above. The factual base supporting this application is described herein. Both County and State laws and how this Major Map Amendment relates to and complies with them is analyzed. For these reasons, the County finds that the requirements of Goal 2, Part I are met.

Goal 2 (Land Use Planning), Part II: Goal 2, Part II authorizes three different types of exceptions: (1) physically developed (previously called “built”); (2) irrevocably committed; and (3) reasons exceptions. Standards for taking these kinds of exceptions are set out in LCDC’s rule interpreting the Goal 2 exceptions process, OAR 660, Division 4. Besides addressing how a local government takes these kinds of exceptions in the first instance, the rule sets out standards that apply when a local government proposes to change existing types of uses, densities or public facilities and services authorized under prior exceptions.

In this case, the subject property will be changed from Agriculture Resource to Rural Industrial and will require a Goal 3 exception. The physically developed and irrevocably committed bases for exceptions are intended to recognize and allow continuation of existing development. The subject property is not developed; therefore, the reasons exception apply to this application. The applicants Goal 3 exception analysis is set forth as attached to this report and analyzed below.

Goal 3 (Agricultural Lands):

This proposed plan amendment would re-zone to Rural Industrial and remove 957 acres from farmland zoning. Goal 3 is to preserve and maintain agricultural lands. An exception to Goal 3 is necessary to approve this Major Map Amendment. This requires findings for a “reasons exception” pursuant to OAR 660-004-0020(2) and ORS 197.732(2), specifically related to siting rural industrial development on resource land outside of an urban growth boundary pursuant to OAR 660-004-0022(3).

Exception Criteria - ORS 197.732

197.732 Goal exceptions; criteria; rules; review. (1) A local government may adopt an exception to a goal if: a) the land is physically developed, or b) the land is irrevocably committed to another use, or

ORS 197.732(2).c

(2) c) The following standards are met:

(A) Reasons justify why the state policy embodied in the applicable goals should not apply;

(B) Areas which do not require a new exception cannot reasonably accommodate the use;

C) The long term environmental, economic, social and energy consequences resulting from the use at the proposed site with measures designed to reduce adverse impacts are not significantly more adverse than would typically result from the same proposal being located in areas requiring a goal exception other than the proposed site; and

(D) The proposed uses are compatible with other adjacent uses or will be so rendered through measures designed to reduce adverse impacts.

(3) "Compatible," as used in subsection (2)c) of this section, is not intended as an absolute term meaning no interference or adverse impacts of any type with adjacent uses.

Finding 4: LCDC adopted rules more specific, to augment the above Statute. They are incorporated in OAR 660-004-0020 & 0022 examined below. Those findings are incorporated herein as applicable to (A) - (D) above.

The following Administrative Rule elaborates on how the provisions are to be met and adds specificity on the above ORS 197.732(2.c).

OAR 660-004-0022(3) Rural Industrial Development

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

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

Finding 5: The subject property is located outside of an urban growth boundary on designated agricultural lands. It is adjacent to Port Westward Industrial Area which is strategically located

along the Columbia River and a river port with existing industrial uses and facilities. The location of the site on the Columbia River is extremely important to the local and regional economy and to promote the proper location of river and port dependent industries. No other industrial site having such qualities is available in Columbia County, making Port Westward a unique resource.

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

Finding 6: The applicant wants to be able to promote large lot industrial users that can take advantage of the unique situation at Port Westward, close to both ship and rail transportation. The Exception Document examines other industrial facilities in the City of St. Helens urban area, the City of Astoria and others in the region; and, it concludes that the only Port of Portland may have some large lot industrial land available. However, Port Westward is less than half the distance to the Pacific Ocean than Port of Portland and other rural attributes give Port Westward in Columbia County a comparative advantage. This criteria is met based on the attached Exception Document and substantial evidence in the record.

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

Finding 7: An expanded industrial zone at Port Westward would take advantage of the existing facilities and infrastructure already installed by private investments and public incentives. It would take advantage of location on a deep river port and rail access. The Exception Document analyzes the details of significant comparative advantages of Port Westward, including a prime location factor, existing facilities factor, current economic conditions factor, industrial land shortages and the opportunity & value of expanded large lot industrial areas. The county acknowledges these factors as being substantial evidence that the location of industrial uses at Port Westward has a comparative advantage for industries needing large vacant industrial sites with maritime opportunities. The lost resource, farm land, is specifically detailed in the exception document. The economic benefit of industrial land verse farm land is overwhelming in favor of industrial when comparing employment wages per acre and revenue from local property taxes, etc.. In addition, the area proposed for re-zoning accounts for a small fraction of the overall amount of land zoned for agricultural use in this north county Clatskanie agricultural area. Of the 16,927 acres zoned primary agriculture in the north county Clatskanie area, the subject 957 acres, is only 5.6% of the total. The impact of converting some of this agricultural land to industrial use is minimized considering that 16,000 acres are left in agricultural use in this north county Clatskanie diked area.

660-004-0020

Goal 2, Part II C), Exception Requirements

(1) If a jurisdiction determines there are reasons consistent with OAR 660-004-0022 to use resource lands for uses not allowed by the applicable Goal or to allow public facilities or services not allowed by the applicable Goal, the justification shall be set forth in the comprehensive plan as an exception. As provided in OAR 660-004-0000(1), rules in other divisions may also apply.

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

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

Finding 8: The reasons set out in the exception document state why the applicable goal of protecting/preserving agricultural land should not apply to this land immediately adjacent to Port Westward. They include the fact that this land is uniquely situated by a river port that is already served by water, sewer and local roads, and the exception site has capability of being served by US Hwy 30 and a major freight rail corridor. Other factors supportive of good reasons include the ability for the county to take advantage of their most important transportation asset, the Columbia River for shipping transport. The centralization of industrial employment at this strategic location makes good planning sense and reduces future energy costs of having industry site haphazardly along the river. There is a documented shortage of large lot industrial sites in Oregon. By answering this shortage and providing vacant land for industrial development, the county would be capable of securing potential base employment jobs where the wage income is generated by out-of-county capital. Opening and taking advantage of trade opportunities in the Pacific Rim is advantageous to the county and region. The staff finds that there are sufficient reasons why this agricultural land should be used for industrial purposes and incorporates the attached exception document that more fully explains the reasons.

Continuing with OAR 660-004-0020

(b) "Areas that do not require a new exception cannot reasonably accommodate the use". The exception must meet the following requirements:

(A) The exception shall indicate on a map or otherwise describe the location of possible alternative areas considered for the use that do not require a new exception. The area for which the exception is taken shall be identified;

(B) To show why the particular site is justified, it is necessary to discuss why other areas that do not require a new exception cannot reasonably accommodate the proposed use. Economic factors may be considered along with other relevant factors in determining that the use cannot reasonably be accommodated in other areas. Under this test the following questions shall be addressed:

(i) Can the proposed use be reasonably accommodated on nonresource land that would not require an exception, including increasing the density of uses on nonresource land? If not, why not?

(ii) Can the proposed use be reasonably accommodated on resource land that is already irrevocably committed to nonresource uses not allowed by the applicable Goal, including resource land in existing unincorporated communities, or by increasing the density of uses on committed lands? If not, why not?

(iii) Can the proposed use be reasonably accommodated inside an urban growth boundary? If not, why not?

(iv) Can the proposed use be reasonably accommodated without the provision of a proposed public facility or service? If not, why not?

C) The "alternative areas" standard in paragraph B may be met by a broad review of similar types of areas rather than a review of specific alternative sites. Initially, a local government adopting an exception need assess only whether those similar types of areas in the vicinity could not reasonably accommodate the proposed use. Site specific comparisons are not required of a local government taking an exception unless another party to the local proceeding describes specific sites that can more reasonably accommodate the proposed use. A detailed evaluation of specific alternative sites is thus not required unless such sites are specifically described, with facts to support the assertion that the sites are more reasonable, by another party during the local exceptions proceeding.

Finding 9: There are no non-resource lands available in Columbia County at the scale needed to satisfy large industrial users or that have the competitive advantages as Port Westward. At the time of initial zoning, the County zoned all large lots in the the county as either Primary Forest or Primary Agriculture because they were not already committed to more intense development. For alternatives, the attached exception document examines the Port Westward Industrial Park itself, other Port of St. Helens properties, the Port of Astoria, Port of Coos Bay and the Port of Portland. This examination concludes that there is a shortage of readily zoned industrial sites. Testimony at the Planning Commission hearing took issue with the Port's alternative locations and proposed specific alternatives to taking an exception on the subject property adjacent to the Port Westward. The original exception document has been modified to address the issue raised in testimony. Areas in Urban Growth Boundaries in Columbia County do not have extensive industrial lands with water/rail transport availability that are not already in

use. With the inclusion of the Exception Document, the county finds that this criteria is met.

Continuing with OAR 660-004-0020

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

Finding 10: Any proposed use, of a prospective tenant, will need to meet or exceed the existing state and federal environmental laws. Reviews of siting an industry at the newly re-zoned property would be processed and decided in a public hearing format. In addition to existing laws, conditions imposed by the County on this exception area - such as traffic impacts, impacts to wetlands, impacts to the air & ground and impacts to surrounding uses will be reviewed; and, the use will either be not allowed or the impacts minimized through conditions imposed. The analysis of economic consequences including better paying wages and a larger tax base, supports the zone change. This concept is carried forward into the social consequences, in that citizens will have more money to spend locally, thereby creating a higher standard of living, which will in turn benefit other related industries and businesses. An energy related consequence would include better usage of existing facilities on site including large grid electrical power and abundant natural gas. This application supports consolidation of large scale industrial services at Port Westward. Based on the analysis in the exception document staff finds that the application is supported by consideration of the long term environmental, energy, social and energy consequences.

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

Finding 11: The adjacent uses to the subject property are industrial to the north and agriculture/farming to the south. Any proposed uses in this new industrial zone will need to be compatible with both adjoining uses, industrial and farming. These criteria will be reviewed at site design review prior to releasing a building permit. There has been a substantial amount of testimony received from the farm community pertaining to whether this new industrial zone would allow uses that are incompatible with crops in nearby fields. Most testimony expressed a fear that the most despicable industrial uses may site next to them. The farm community does not have problems with the uses already in existence at Port Westward. As such, some lands that are zoned for industrial use at Port Westward are leased for agricultural purposes and can remain so. It is impossible for the applicant to show how every possible industrial use could or would be considered compatible with adjoining farm uses, even with an exhaustive list of mitigating measures. For this reason and to be in compliance with this criteria, staff believes that before a development permit is issued, each new use should be reviewed for compatibility with adjacent farm uses. The applicant has proposed that the following conditions be imposed to ensure measures are in place to reduce adverse impacts:

- 1) The habitat of threatened and endangered species shall be evaluated and protected as required by law.
- 2) Alterations of important natural features, including placement of structures shall maintain the overall values of the feature.
- 3) All development adjacent to land zoned PA-80 shall include buffers that are established and maintained between the industrial uses and adjacent land uses, including natural vegetation and where appropriate, fences, landscaped areas and other similar types of buffers.
- 4) When possible the area of the site that is not developed for industrial uses or support shall be left in a natural condition or in resource (farm) production.
- 5) Controls, including suppression and requiring hard surfaces, shall be employed to mitigate dust caused by industrial uses that may emanate from the site and traffic to the site.
- 6) Site run-off shall be controlled and any harmful sediment shall be contained or otherwise treated before being released to ensure potential impacts to irrigation equipment and area water quality (both ground and surface) are controlled.
- 7) The industrial use impact on the water table shall be monitored to ensure that the water table can be maintained and managed as it historical is done.
- 8) Railroad crossings shall be managed consistently with federal law regulating crossing to

reduce crossing delays.

9) Development applications shall include an agricultural impact assessment report that shall analyze adjacent agricultural uses and practices and demonstrate that impacts from the proposed use are mitigated. The report shall include a description of the type and nature of the agricultural uses and farming practices, if any, which presently occur on adjacent lands zoned for farm use, type of agricultural equipment customarily used on the property, and wind pattern information. The report shall include a mitigation plan.

Staff recommends the above measures be incorporated into conditions for the siting of any future industrial use. With the above referenced conditions this criteria can be met.

Continuing with Oregon's Statewide Planning Goals

Goal 4 (Forest Lands): The County finds this goal is not applicable. The subject property is not forest land. The applicant submitted an exception to forest lands. The Board may include it if wanted, but staff does not believe it is necessary.

Goal 5 (Open Spaces, Scenic and Historic Areas and Natural Resources): This goal addresses the conservation and protection of both natural and cultural resources. There does not appear to be any inventoried cultural, historic or scenic resources on the subject property. Three natural resources apply to this site: 1) open space, 2) wildlife habitat and 3) wetlands. These are addressed under Part XVI of the Comprehensive Plan. As this Major Map Amendment complies with Part XVI of the Comprehensive Plan, it also complies with Statewide Goal 5. (See discussion Part XVI, page 9)

Goal 6 (Air, Water and Land Resources Quality): Goal 6 addresses the quality of air, water and land resources. In the context of Comprehensive Plan Amendments, a local government complies with Goal 6 by explaining why it is reasonable to expect that the proposed uses authorized by the plan amendment will be able to satisfy applicable federal and state environmental standards, including air and water quality standards.

The proposed plan amendment and zone change would allow rural industrial uses in addition to resource uses, as allowed currently. As a matter of county ordinance, any future development would be required to comply with Federal, State and local laws, which are intended to minimize environmental impacts. The Clean Water Act and Clean Air Act are examples. Given the standards to which future development would be subject, including those applicable to Site Design Reviews, Uses Under Prescribed Conditions and Building Permits, staff finds that the requirements of goal 6 are met.

Goal 7 (Areas Subject to Natural Disasters and Hazards): Goal 7 deals with development

in places subject to natural hazards. It requires that jurisdictions apply “appropriate safeguards” when planning for development there.

In this case, there are no specific identified natural hazards. FEMA FIRM Map 41009C0050 D, dated November 26, 2010, identifies the property in zone X, which is not subject to floodplain regulations. In addition the property is within Seismic Zone D1 (formerly zone 3), which applies to building regulations. These would apply at time of development.

The County finds that the requirements of Goal 7 are met.

Goal 8 (Recreational Needs): This goal calls for a government to evaluate its areas and facilities for recreation and develop plans to deal with the projected demand for them. The subject property has not been planned for recreational opportunities. This Major Map Amendment will not compromise the recreational needs of the County citizenry and thus, meets the requirements of Goal 8.

Goal 9 (Economic Development): While Goal 9 applies only to urban and unincorporated lands inside urban growth boundaries, this Major Map Amendment, will nonetheless, help promote the County’s economic strength. This is explained under Part X (Economy) and the Reasons Exception attached to this report. Though technically not applicable, the County finds that the overall intent of Goal 9 is met.

Goal 10 (Housing): The County finds that Goal 10 is not applicable. Goal 10 applies inside urban growth boundaries. In addition, this Major Map Amendment will not result in a loss or gain of dwelling units.

Goal 11 (Public Facilities and Services): Goal 11 requires local governments to plan and develop a timely, orderly and efficient arrangement of public facilities and services. It further provides that urban and rural development “be guided and supported by types and levels of services appropriate for, but limited to, the needs and requirements of the urban, urbanizable and rural areas to be served.”

The applicant’s response is: “Port Westward has developed public facilities and services for rural industrial development. The area also provides access to the Columbia River by existing docks, and access to rail transport. Rural industrial development in the Port Westward area is orderly and efficient in that it groups development around existing services and provides the benefits of a planned development area. Thus the application is consistent with Statewide Planning Goal 11.”

Staff concurs with the applicant and finds that the proposal complies with Goal 11.

Goal 12 (Transportation): Goal 12 requires local governments to “provide and encourage a

safe, convenient and economic transportation system.” Goal 12 is implemented through LCDC’s Transportation Planning Rule (TPR), OAR 660, Division 12. The TPR requires that where an amendment to a functional plan, an acknowledged comprehensive plan, or a land use regulation that would significantly affect an existing or planned transportation facility’s functional capacity, the local government shall put in place measures to assure that allowed land uses are consistent with the identified function, capacity, and performance standards of the facility.

Transportation issues were discussed earlier under the County Comprehensive Plan Part XIII Transportation. In current zoning PA-80, resource farm uses and some limited residential uses are allowed. Other potential uses include schools and churches. Aside from schools and churches, these land uses are not intense and would have a minimal traffic/transportation impact. If the proposal were approved and the subject property zoned RIPD, industrial uses could be sited and could potentially have a significant impacts on the surrounding transportation network. But, restrictions are in place by the RIPD zone that the new industrial uses must be rural and land extensive. They are generally not labor intensive as with high traffic volume generators from the working force (except for perhaps during construction). With this “rural” industrial zone a typical build-out traffic impact of the zoning district would be significantly less than in a typical urban industrial property.

Lancaster Engineering, on behalf of the applicant, submitted a preliminary Traffic Impact Analysis (TIA) for the proposed Plan Amendment on May 6, 2013. Comments from State ODOT, Columbia County and the City of Clatskanie were incorporated into the present August 27, 2013 Transportation Impact Analysis (TIA) for the proposed Port Westward expansion. A traffic analysis is difficult when a specific industrial uses are not identified for the subject property. Lancaster Engineering, together with State ODOT, Columbia County Road Department and the Public Works of Clatskanie, agree that a “Trip Cap” be established for a worst case scenario. Lancaster Engineering determined that the study intersections are currently operating satisfactorily, but would need operational or safety improvements when the subject new industrial area produced 332 PM peak-hour trips or more. When this trip cap level of traffic generation is reached there will be a need for an additional TIA and possible mitigating improvements to the intersections to bring them to acceptable performance. The Report analyzes intersections with state regulated highways. Specifically the TIA analyzes five intersections, including Highway 30 at Nehalem Street, Nehalem at 5th Street, Highway 30 at Van Street, Highway 30 at Beaver Falls Road, and Highway 30 at Old Rainier Road (Alston Mayger Road).

The State ODOT comment and concern about the “trip cap” proposed by the August 27, 2013 TIA, the County and ODOT needs to determine how the trip cap identified will be monitored and enforced. ODOT and Lancaster recommends a condition be imposed:

“A traffic study be prepared for each future development within the subject property to determine the number of trips generated, likely travel routes, impacts

on both passenger car and heavy truck traffic. These TIA analysis would also be used to ensure that the number of trips generated and accumulative trips do not exceed the trip cap.”

To ensure that all traffic impacts are minimized with each new development on our local roads, including in the City of Clatskanie; roads will need improvements commensurate with a new development impact. The County has historically imposed a Traffic Improvement Fee on new development in the Port Westward area.

With the above referenced conditions the Transportation Planning Rule requirements is satisfied.

Goal 13 (Energy Conservation): Goal 13 directs cities and counties to manage and control land and uses developed on the land to maximize the conservation of all forms of energy, based on sound economic principles.

The applicant’s response is: “The application is consistent with Statewide Planning Goal 13 in that it will promote consolidation of industrial services in the Port Westward area and conserve energy that would otherwise be expended developing these services elsewhere.”

In addition, as already explained in this report, the expansion of the Port Westward site will help enhance the County’s economy, specifically the north part of the County. This will provide local jobs and help balance the jobs/dwellings ratio. Currently, many County citizens travel outside the County to work. Having more local jobs promotes energy conservation as it tends to result in less vehicle miles traveled.

For the above reasons, the County finds that the proposal complies with Goal 13.

Goal 14 (Urbanization): The County finds that Goal 14 is not applicable. The proposed amendments do not authorize urban uses on rural lands or otherwise convert rural land to urban uses.

Goal 15 (Willamette River Greenway): The County finds that Goal 14 is not applicable. The site is not near the Willamette River.

Goals 16 - 19 (Coastal State-Wide Planning Goals): These Goals do not apply to Columbia County as it is not a coastal jurisdiction.

CCZO 1502.1(A) (3):

3. The property and affected area are presently provided with adequate facilities, services, and transportation networks to support the use, or such facilities, services and transportation networks are planned to be provided concurrently with the development of the property.

Discussion: The Port Westward Industrial Park immediately to the north of the subject property has a full service of facilities available for potential industrial users. These facilities can easily be provided to the subject property in association with a particular development. The infrastructure framework for additional rural industrial development has been well planned by the Port and other industrial users in the vicinity. Existing facilities include water systems and fire protection services, county roads to provide access to Hwy 30, rail lines running within the site and through to connect the mainline Hwy 30 corridor, electrical service new substation, fiber optics, industrial sized natural gas lines, electric power plants, and a 1250 foot dock with deep water access.

There is no evidence that there will be any inadequacies of facilities, services and transportation networks for development subsequent to the Major Map Amendment. Any new development within the Port Westward Industrial site would not be allowed unless there were facilities that could adequately accommodate it. When a prospective industry submits plans for development, the facilities necessary are identified and extended or otherwise provided in conjunction with development.

Finding 12: Based on the discussions above on the Comprehensive Plan criteria and as presented in the application and submittal of noted items, this Major Map Amendment is consistent with the County's Comprehensive Plan.

Finding 13: Based on the discussions above on Statewide Goals and as presented in the application with the submittal of noted items, this Major Map Amendment is consistent with Oregon's Statewide Planning Goals.

Finding 14: Based on the discussions above in this Report and as presented in the application, the property and affected area is presently provided with adequate facilities, services, and transportation networks to support any use allowed by the RIPD zone, and that this Major Map Amendment will not compromise such facilities, services and transportation networks, with conditions imposed.

Continuing with Columbia County Zoning Ordinance Section 1502 Zone Changes

1502 .3 Alternate Zones: If the Commission determines that a zone other than the one being proposed will adequately allow the establishment of the proposed use, the Commission may substitute the alternate zone for the proposed zone in either the Major Map Amendment or the Minor Map Amendment procedures.

Discussion: This Major Map Amendment would bring the subject property to a designation of Rural Industrial and zoning to Rural Industrial - Planned Development (RIPD). This same designation and zoning borders the property on three sides, and there is no other adjacent designation and zoning other than Agricultural Resource and Primary Agriculture - 80 (PA-80).

Finding 15: Staff does not recommend the substitution of another designation or zone for this Major Map Amendment request.

Continuing with Columbia County Zoning Ordinance Section 1600 Administration

1605 Zone Change - Major Map Amendment: The hearing for a major map amendment shall follow the procedure established in Section 1505, 1502. 1, 1502 1A and 1502 1B. This hearing cannot result on the approval of a major map amendment. The Commission may make a recommendation to the Board of County Commissioners that such a zone change be granted. Approval by the majority of the Commission is necessary in order to make recommendation to the Board of Commissioners. The Board of Commissioners hearing on the proposed zone change-major map amendment will be on the record unless a majority of the Board votes to allow admission of new evidence.

Discussion: The Planning Commission made a recommendation for denial of this application for a Major Map Amendment. The Board of County Commissioners, who have the decision making authority, will hold a hearing on September 18, 2013 at the Clatskanie High School.

Continuing with Senate Bill 766

Public testimony at the Planning Commission raised concerns over the potential affect of Senate Bill 766 if the subject property is re-zoned to RIPD, specifically, the concern that SB 766 would remove the local review of future industrial uses at the site. SB 766, which was passed in 2011 to advance job creation on industrial lands, provides two separate programs: one for the designation of "industrial development projects of state significance" and another for the designation of "regionally significant industrial sites." An applicant must apply to the State Economic Recovery Council (ERRC) for either the state or regional significance designation.

The impact on local government is different for each designation. For the industrial development projects of state significance, review of compliance with land use regulations, including local regulation, is done at the state level by ERRC. Land use review of development of regionally significant industrial sites, on the other hand, remains with the local governments. Although review of a regionally significant site remains with the local government, the review process in general differs in that it is expedited, as provided in ORS 197.365 and 197.370, and appeal to the Oregon Court of Appeals rather than LUBA.

Here, the subject property has not been designated as either a state or regionally significant site. The applicant has stated that it will apply for the regionally significant designation for Port Westward. ERRC will be designating only five to fifteen regionally significant sites in the state. As explained, even if Port Westward receives such a designation, the County will be reviewing future industrial uses for compliance with land use regulations.

AGENCY COMMENTS RECEIVED:

City of Clatskanie: Several comments, have no objection to its approval as submitted.

Clatskanie-Quincy CPAC: (no response)

Clatskanie RFPD: No objection.

Soil & Water Conservation District: Comment # 87 on list, opposed the application negative affects on farming and riparian areas.

Lower Columbia Watershed Council: (no response)

Oregon ODOT: Several comments, agrees with a trip cap, but would like to discuss monitoring and enforcement of the trip cap.

Oregon ODOT Rail: Letter dated March 5, 2013, pertaining to rail extensions safety. See attached comments #8.

Oregon Department of Agriculture: Comment # 25 Excellent farm soils, good for high yields.

Oregon DLCD: Comment #91 generally supportive of Plan Amendment, must make adequate findings

Natural Resources Conservation Service: (no response)

County Roadmaster: No objection. Future developers will incur all costs for needed road improvements.

County Assessor: (no response)

County Sanitarian: (no response)

County Building Official: Has no objection to its approval as submitted.

City of Clatskanie: Strongly in favor of approval.

The Planning Division forwarded 198 comments to the Board. The cover index "Port of St. Helens Comments Submitted", 7 pages, lists by number the comments received in chronologic order.

CONCLUSION, & RECOMMENDED DECISION & CONDITIONS:

Based on the facts, findings and comments herein, the Planning Director recommends **approval** of this Major Map Amendment to re-designate the site from Agriculture Resource to Rural Industrial and to amend the Zoning Map of the Columbia County Zoning Ordinance to re-zone the subject property from Primary Agriculture - 80 (PA-80) to Rural Industrial - Planned Development (RIPD), with the following conditions:

- 1) Prior to an application for development of a new use, the applicant/developer shall submit a Site Design Review and an RIPD Use Under Prescribed Conditions as required by the Columbia County Zoning Ordinance.
- 2) To ensure adequate transportation operation, future developments proposed for the subject property shall not produce more than 332 PM peak-hour trips without conducting a new Traffic Impact Analysis with recommendations for operational or safety mitigation.
- 3) A traffic study be prepared for each proposed future development within the subject property to determine the number of trips generated, likely travel routes, impacts on both passenger car and heavy truck traffic. These TIA reports would also be used to ensure that the number of trips generated and accumulative trips do not exceed the trip cap.
- 4) To ensure compatibility with adjoining agricultural uses the applicant/developer of new industrial uses shall comply with the following:
 - A) The habitat of threatened and endangered species shall be evaluated and protected as required by law.
 - B) Alterations of important natural features, including placement of structures shall maintain the overall values of the feature.
 - C) All development adjacent to land zoned PA-80 shall include buffers that are established and maintained between the industrial uses and adjacent land uses, including natural vegetation and where appropriate, fences, landscaped areas and other similar types of buffers.
 - D) When possible the area of the site that is not developed for industrial uses or support shall be left in a natural condition or in resource (farm) production.
 - E) Controls, including suppression and requiring hard surfaces, shall be employed to mitigate dust caused by industrial uses that may emanate from the site and traffic to the site.
 - F) Site run-off shall be controlled and any harmful sediment shall be contained or otherwise treated before being released to ensure potential impacts to irrigation equipment and area water quality (both ground and surface) are controlled.
 - G) The industrial use impact on the water table shall be monitored to ensure that the water table can be maintained and managed as it historically is done.
 - H) Railroad crossings shall be managed consistently with federal law regulating crossing to reduce crossing delays.

I) Development applications shall include an agricultural impact assessment report that shall analyze adjacent agricultural uses and practices and demonstrate that impacts from the proposed use are mitigated. The report shall include a description of the type and nature of the agricultural uses and farming practices, if any, which presently occur on adjacent lands zoned for farm use, type of agricultural equipment customarily used on the property, and wind pattern information. The report shall include a mitigation plan for any negative impacts identified.

5) The types of industrial uses for the subject Plan Amendment shall be limited to the uses, density, public facilities & services and activities to, only those that are justified in the exception.

ATTACHMENTS: Exception Document
Comments received under separate cover
Vicinity map, aerial map with boundaries
Application and maps in separate document

C. GOAL 2 REASONS EXCEPTION FOR RURAL INDUSTRIAL DEVELOPMENT PER ORS 197.732(2), OAR 660-004-0020(2) & OAR 660-004-0022(3):

COMMENT: *Statewide Planning Goal 2, Part II (a) through (c) and ORS 197.732(2) (a) through (c) provides the framework for an exception. State law authorizes three categories of statewide planning goal exceptions: (1) physically developed exceptions, (2) irrevocably committed exceptions, and (3) reasons exceptions.*

The subject application involves Class II, III and VI soil, requiring an exception to Statewide Goal 3. Applicant seeks to exclude the subject property from the requirements of Goal 3 by way of a Goal 2 reasons exception as provided for below.

Applicant requests that the County approve the exception and adopt the findings and statement of reasons herein as part of its Comprehensive Plan through a text amendment. Those findings of fact and statement of reasons are supported by substantial evidence and demonstrate that the standards for a reasons exception have been met as provided by OAR 660-004-0000(2) and 660-004-0015.

As stated in *OAR 660-004-0000(3)*, "[t]he intent of the exceptions process is to permit necessary flexibility in the application of Statewide Planning Goals." (Emphasis added).

The standards for a reasons exception are set forth in *ORS 197.732(2)(c)*. It provides that the four criteria that must be met are:

(A) Reasons justify why the state policy embodied in the applicable goals should not apply;

(B) Areas that do not require a new exception cannot reasonably accommodate the use;

(C) The long term environmental, economic, social and energy consequences resulting from the use at the proposed site with measures designed to reduce adverse impacts are not significantly more adverse than would typically result from the same proposal being located in areas requiring a goal exception other than the proposed site; and

(D) The proposed uses are compatible with other adjacent uses or will be so rendered through measures designed to reduce adverse impacts.

COMMENT: Compliance with the above standards and the related administrative rules are provided for below for each subsection (A) through (D). The findings of fact

and statement of reasons are supported by substantial evidence that justify taking an exception to Goal 3.

LCDC adopted rules that elaborate on the requirements to justify a reasons exception. With regard to ORS 197.732(2)(c)(A), OAR 660-004-0022 specifically identifies permissible reasons for exceptions for certain uses and goals in OAR 660-004-0022(2) through (10). The intent of the state's "exceptions process" is to permit necessary flexibility in the application of State Goals and the state's land use planning process. The state has taken the step to adopt specific rules when one is trying to reclassify and rezone land from resource use to rural industrial use. The rules treat that change specially.

Because applicant is seeking to amend the comprehensive plan and zoning map to plan for and allow rural industrial development the standards in OAR 660-004-0022(3) apply. *Morgan v. Douglas County*, 42 Or LUBA 46 (2002). As such, the requirement for a threshold finding that there is a demonstrated need in OAR 660-004-0022(1) is not applicable. 42 Or LUBA at 52. Even so, applicant has demonstrated, with substantial evidence, that there is in fact a demonstrated need for the industrial land expansion, thus providing further support for approval. Applicant has demonstrated a state, regional, and local shortage of large lot industrial land. Applicant has demonstrated there is no large lot industrial land available in the existing Port Westward park, nor anywhere in the County. Applicant has demonstrated high unemployment and underemployment. Applicant has demonstrated the value of traded sector industries. Applicant has demonstrated how important available large lot industrial land and Port property is to the Governor and Legislature, Columbia County, and local communities.

Findings which support a reasons exception are set forth below following each standard.

When trying to rezone land from resource use to rural industrial use the special rules require an applicant to demonstrate one of the following:

- 1) The use is significantly dependent upon a unique resource, such as a river or ocean port;
- 2) The use cannot be located inside an urban growth boundary, **or**
- 3) The use would have a significant comparative advantage due to its location which would benefit the county economy and cause only minimal loss of productive resource lands.

The law does not require all three standards to be met. Complying with one of the standards would be an appropriate reason to justify the exception under state law. Even so, applicant has provided substantial evidence that supports a finding of compliance under each of the three stated standards.

Why is planning for rural industrial uses on resource zoned land treated specially? Because state law as well as the County's code recognizes that rural industrial uses – particularly the heavy industrial uses - are unique. They are such that they require a location away from dense populations and often in resource land areas, their large lot needs and sizable buffers employed make them compatible with area resource uses, they require some urban level services, and they are very important to the stability, diversity, and success of the state, regional, and local economies. There are only a few areas in the state that have unique, resource dependent attributes that can support large scale heavy industrial uses – the area around Port Westward is such a place.

OAR 660-004-0022(3) Rural Industrial Development:

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

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

COMMENT: The County's Comprehensive Plan has designated over 900 acres of the Port Westward area as a Goal 3 exception. Exhibit 9c – Applicant's Original Narrative Statement. Port Westward is the largest rural industrial area in the County. The property is adjacent to Port Westward, the Columbia River, and can take advantage of the location with access to the Columbia River, existing dock facilities, railroad, US highways and interstates, and power generating facilities.

The Columbia River is recognized as a Marine Highway Corridor – M-84, emphasizing the importance of the river corridor for serving local, regional and national transportation needs. Exhibit 8– Applicant's Original Narrative Statement. It is the County's most valuable transportation resource, but this resource is currently underutilized.

The river is a unique site-specific resource that is very important to the economy of Columbia County. Increasing use of the river route promotes transportation efficiency. Locating port dependent uses adjacent to the river further promotes that efficiency. By approving the application the County will recognize the importance of the river to the local and regional economy and promote the proper location of river dependent/port dependent industries. Experts recognize that increasing the use of the river route versus increasing the burden on the highway transportation system can help reduce congestion, reduce air emissions, and conserve energy.

Not only is the subject property adjacent to the Columbia River, but it is ideally located adjacent to a naturally deep section of the River and served by a 43 foot shipping

channel. Port Westward is the only property owned by the Port of St. Helens that is able to receive deep sea ships at water depths of 45 to 75 feet. An additional positive attribute of the subject property is its proximity to the mouth of the Columbia which provides a direct trans-shipping link to the Pacific Ocean – a direct link to international trade.

As a result of this plan map amendment and rezone, uses that may locate on the property in the future include those permitted by the RIPD zone as provided for in § 680 of the Columbia County Zoning Ordinance. Before being permitted, uses would be subject to the standards and criteria of § 680. Section 683 uses include the production, processing, assembling, packaging or treatment of materials; research and development laboratories; and storage and distribution of services and facilities. Applicant also seeks to site those uses recognized in the Columbia County Comprehensive Plan and associated with the existing Port Westward exception statement – Part XII of the County's Comprehensive Plan.

Applicant anticipates the property will be occupied by uses that are significantly dependent upon the Columbia River and port resources described above. Probable uses will be a combination of maritime and industrial users that will benefit from the existing services, the deepwater port, existing and future docks, the railroad, and energy facilities. Uses will focus on the river and rail for transportation of their inventory and products. The Port's goal is to attract companies looking to export, import, process, or manufacture goods with the intent of using the combination of rail and maritime capabilities to receive and then deliver those goods via ships. For example, a natural resource export facility would utilize river barge and/or rail shipments to move material to Port Westward for loading onto ships. Such a facility would require hundreds of acres to locate. In addition to the construction jobs, that type of facility would also create over 100 full-time jobs. Exhibit 17– Applicant's Original Narrative Statement.

The Port has been approached by several different companies representing several different industries ranging from renewables, such as biodiesel, biomass, and solar; petroleum based products; grain; wood chips; cement; power plants; automobiles; and natural resources including coal and other bulk commodities. The businesses on average have been requesting between 50-300 acres to support their intended uses.

Commodity export trends can also help identify prospective industrial activities. Within the list of the top Oregon exports, the commodities and goods that can be produced and/or shipped from Port Westward may include: potassium chloride production (\$867 M in Oregon exports), which is used for fertilizer as well as biomedical purposes; iron waste and scrap metal (\$264 M in Oregon exports); coniferous wood sawn, sliced or chipped (\$223 M in Oregon exports); forage products such as hay, grain, clover, hops, etc. (\$130 M in Oregon exports); oil-based fuels and other types of energy

products (\$85+ M in Oregon exports). Exhibit 17– Applicant’s Original Narrative Statement.

Applicant hereby incorporates by references the findings provided in response to OAR 660-004-0022(3)(c) **below**, and specifically those in the Industrial Lands Shortage Issue and Economic – Conditions and Opportunities Factor subsections. Those findings, together with the findings above, demonstrate compliance with OAR 660-004-0022(3)(a).

(b) *The use cannot be located inside an urban growth boundary due to impacts that are hazardous or incompatible in densely populated areas; or*
COMMENT: A positive attribute of the subject property is its location away from an urban center and dense rural residential populations. The relatively isolated character of the site is a characteristic sought and needed by many of the users seeking large scale industrial sites. As provide for in the Comprehensive plan:

“There is a need within the state for large isolated sites for heavy industry. These sites must be isolated and separate from concentrations of population. Whiles these sites themselves need to be isolated, they also need to be relatively close to major sources of support industries, services, and be served by multimodal transportation. There are not many areas in the state where these sites exist.” Exhibit 9a– Applicant’s Original Narrative Statement.

Fortunately for the County, Port Westward and the subject property represent one of those unique and coveted sites. The subject property has the location and attributes that makes it an excellent example of “where to expand.”

Additionally, as demonstrated below in response to OAR 660-004-0020(2)(b)(B) (iii), there are no locations inside an urban growth boundary upon which a large scale industrial user could develop a facility away from dense urban populations. Those findings are incorporated by reference.

Applicant hereby incorporates by reference the findings provided in response to OAR 660-004-0022(3)(c) below. Those findings, together with the findings above, demonstrate compliance with OAR 660-004-0022(3)(b).

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

COMMENT: This application seeks to expand the Port Westward Industrial Park to allow development of additional industrial uses, to create new and continuous employment opportunities, to promote economic growth, and to maximize existing private and public investments. The importance of Port Westward and its continued use and growth to the County and the County's economic stability is demonstrated by this narrative statement and its exhibits. What follows is an analysis that details location factors, existing facilities factors, current economic conditions, industrial land shortages, and the opportunity and value that this application represents. The findings, supported by substantial evidence, demonstrate the uses that would locate on the property would have a significant comparative advantage due to location factors. The findings further demonstrate the uses located on the property which would substantially benefit the County's economy and cause only a minimal loss of minimally productive resource zoned land.

Prime Location Factor – the Columbia River:

The County's Comprehensive Plan has designated over 900 acres of the Port Westward area as a Goal 3 exception. Exhibit 9c– Applicant's Original Narrative Statement. Port Westward is the largest rural industrial area in the County. The subject property is located adjacent to the RIPD zoned land and can take advantage of the location with access to the Columbia River, existing dock facilities, railroad, US highways and interstates, and power generating facilities. The property is 10 minutes to Highway 30 and 35 minutes to I-5. The subject property's location adjacent to the Columbia River provides a competitive and comparative advantage for the County and potential users. The Columbia River is recognized as a Marine Highway Corridor – M-84, emphasizing the importance of the river corridor for serving local, regional and national transportation needs. Exhibit 8– Applicant's Original Narrative Statement. It is the County's most valuable transportation resource, but this resource is currently underutilized. Three tug companies currently operate in the area – Tidewater, Shaver and Foss – and could support anticipated maritime uses of the Port property.

The river is a unique site-specific resource that is very important to the economy of Columbia County. Increasing use of the river route promotes transportation efficiency. Locating port dependent uses adjacent to the river further promotes that efficiency. By approving the application the County will recognize the importance of the river to the local and regional economy and promote the proper location of river dependent/port dependent industries. Experts recognize that increasing the use of the river route versus increasing the burden on the highway transportation system can help reduce congestion, reduce air emissions, and conserve energy.

The property is ideally located adjacent to a naturally deep section of the river and served by a 43 foot shipping channel. Port Westward is the only property owned by the Port of St. Helens that is able to receive deep sea ships at water depths of 45 to 75

feet. An additional positive attribute of the subject property is its proximity to the mouth of the Columbia which provides a direct trans-shipping link to the Pacific Ocean – a direct link to international trade. The subject property also has a locational advantage over the Port of Vancouver and the Port of Portland given its proximity to the ocean, saving both time and money.

Another positive attribute of the subject property is its location away from an urban center and dense rural residential populations. The relatively isolated character of the site is a characteristic sought and needed by many of the users seeking large scale industrial sites. As provide for in the Comprehensive plan:

“There is a need within the state for large isolated sites for heavy industry. These sites must be isolated and separate from concentrations of population. Whiles these sites themselves need to be isolated, they also need to be relatively close to major sources of support industries, services, and be served by multimodal transportation. There are not many areas in the state where these sites exist.” Exhibit 9a– Applicant’s Original Narrative Statement.

Fortunately for the County, they have one of those very rare sites. The subject property has the location and attributes that makes it an excellent example of “where to expand.”

Furthermore, the land is not constrained by environmental contamination - like so many regional industrial sites - wetlands, floodplains, or other natural features. Those constraints decrease the supply of buildable land that can be developed for industrial use. Exhibit 10– Applicant’s Original Narrative Statement.

As the Comprehensive Plan provides:

“The amount, type, and location of land designated in the Comprehensive Plan for Economic Development will determine the maximum amount of industry the county might be able to attract. The land should be appropriately located and suitable for development. It should be located to relate to the county’s natural resources and natural advantages.” Exhibit 9a– Applicant’s Original Narrative Statement.

Existing Facilities Factor:

The property is located adjacent to the Port Westward RIPD zoned land and can take advantage of the location with access to the Columbia River, existing dock facilities, railroad, and power generating facilities. The subject property’s location adjacent to existing facilities and the PWIP provides a competitive and comparative advantage for the County and potential users.

The property is 10 minutes to Highway 30 and 35 minutes to I-5, located along the Columbia River and Bradbury Slough and adjacent to land zoned RIPD. The Columbia River is recognized as a Marine Highway Corridor (M-84), emphasizing the importance of the river corridor in serving local, regional and national transportation needs. Exhibit 8– Applicant’s Original Narrative Statement. The property is ideally located adjacent to a naturally deep section of the river and served by a 43 foot shipping channel.

Rail lines run through the eastern portion of the subject property and throughout Port Westward, connecting to the Portland & Western Railroad line serving the area. Within the past four years, \$6.3 million was spent to improve the rail facilities serving the property. With spurs as needed, each portion of the subject property can be served by rail transportation. Exhibits 2 and 3– Applicant’s Original Narrative Statement.

The property is and can be adequately served by county roads which provide access to Hwy. 30. Hermo Road provides access to the western and central portions of the property and Kallunki Road to the eastern portion. Exhibit 2– Applicant’s Original Narrative Statement. Access roads run through the subject site to reach PWIP. Based on the Port Westward Urban Renewal Plan, the Columbia County Development Agency spent \$8 million in road improvements to support PWIP users. Exhibit 17– Applicant’s Original Narrative Statement. Those expenditures would also benefit future users of the subject area. Additional users would also mean the disbursement of costs for transportation improvements. As well, conditions associated with existing land use permits require roadway improvements to serve the PWIP both in the existing County right of way and on private sections of road. Additional conditions could be imposed on future users of the subject property through the land use application process, which would also spread the costs in an economical, equitable, and beneficial manner.

The PWIP is served with electrical and natural gas, which could be extended as needed to serve industrial uses in the subject area. The Clatskanie PUD recently invested \$10.9 million on a new substation and 115 kv transmission lines to serve the site. Cascade Networks also recently invested in new fiber optic providing high speed internet to the site.

Fire protection and water for industrial uses are provided privately by wells and draws from the Columbia River. Currently, there is an existing water supply system and storage tank serving uses in the PWIP for which nearly \$8M in water system improvements was made. Exhibit 17– Applicant’s Original Narrative Statement.

Industrial Land Shortage Issue:

In 1999, the Regional Industrial Lands Study for the Portland MSA revealed a problem resulting from Oregon's land use planning system – a severe shortage of industrial zoned and available land to serve both short and long term industrial needs and satisfy projected job growth. Exhibit 20– Applicant's Original Narrative Statement. Since at least 2003, the State of Oregon has recognized the threat that the industrial land supply shortage poses to the diversity and stability of the State's economy. Governor Kulongoski, through Executive Order 03-02, established the Industrial Lands Task Force (taskforce) to address a widely held perception that many of the fastest growing areas critical to Oregon's economy have not maintained an adequate supply of industrial lands to meet the needs of a growing and prosperous state. The taskforce concluded that there is a significant lack of specific types of "project-ready" industrial land in certain areas of the state. The state report concluded that it is in the state's interest to provide an adequate supply of developable land for industrial uses that generate: A significant capital investment; job creation; and traded-sector activity. Exhibit 18– Applicant's Original Narrative Statement.

The report also confirmed that certain lands are more valuable to traded-sector industries due to specific site characteristics and agreed that the state has an interest in maintaining the supply of prime industrial lands. Exhibit 18– Applicant's Original Narrative Statement. While what is "prime industrial land" in one region or for one industry might not be prime for another, the basic elements that are important to preserve and promote include: Net, contiguous, developable acreage in large, flat and symmetrical configurations; minimal or no development constraints present; access to an available workforce for a specific industry type; sufficient capacity in the local transportation system; proximity to interstate highways, rail, marine ports and/or airports; easy access to water, sewer, gas, electricity and telecommunications; proximity to suppliers, customers, markets and related uses; and location within a functioning industrial district.

The taskforce "found that 'industrial land' is not a homogeneous commodity and it must be analyzed with market needs clearly in mind." Exhibit 19– Applicant's Original Narrative Statement. The taskforce found "that industrial land inventories and projections of need should not be based solely on a simple ratio of jobs to acres, which is the traditional method used," but "rather the inventory must be defined in terms of what types of industry a city, county or region can realistically attract and what kinds of land they need by location, size, price, physical characteristics, and services." Exhibit 19– Applicant's Original Narrative Statement. The taskforce concluded that it is of primary importance to use state land use law to provide and ensure both in the short and long term, an adequate supply of industrial land as needed regionally. The taskforce further recognized the duty of public entities to meet those goals and the roles that ports would play in our economic prosperity. Exhibit 19– Applicant's Original Narrative Statement. .

Although efforts were undertaken to address the shortage and provide readily developable sites of prime industrial land, the challenge and concerns expressed in 2003 are more prevalent today.

Without question, there is an industrial land shortage to meet the market needs. Specifically, there is a shortage of large – “development ready” - industrial sites (25 acres or more). Demand has outpaced supply. Report after report, by both private and public entities, confirms the imbalance between need and supply in the region. Exhibits 10, 11, 12, 15, 15, 17, 18, 19, 20, 21, 24 and 25– Applicant’s Original Narrative Statement. Simply, there is a critical shortage of industrial land in the region, for both the immediate needs and long-term needs. A specific examination of the industrial land supply in Columbia County and elsewhere is included in response to ORS 197.732(2)(c) (B) standards below and incorporated by reference.

The industrial land imbalance has also been confirmed in reports in the Oregonian and Daily Journal of Commerce. Exhibit 10– Applicant’s Original Narrative Statement. Additionally, Group McKenzie, an economic consulting and planning firm, reported that the Portland-metro area has only five 25-acre industrial sites, one 50-acre site, and one 100-acre site available for future uses. There are no sites of 100 acres or more that could be ready within 30 months. Exhibits 10 and 12– Applicant’s Original Narrative Statement. The City of Portland previously reported that it has an estimated shortage of over 1,500 acres of industrial land – including a shortfall of nearly 500 acres in the working harbor. Exhibit 10– Applicant’s Original Narrative Statement. The plight of that region as reported is consistent with Columbia County’s plight, and further confirms the supply shortage in the County.

According to information provided by the Oregon Business Development Department, in 2008 and 2009, of the firms seeking to locate a new or expanded industrial facility and who made inquiries with the state, 92% of them were looking for large sites – between 10 and 200 acres – and about 40% required a site between 51 and 99 acres. Exhibit 21– Applicant’s Original Narrative Statement.

As of today, and as demonstrated elsewhere in this narrative, there are no large lot industrial sites available in Columbia County to attract potential industrial users and employers. That condition represents an immediate threat to the County’s already tenuous economic health, a fact which cannot be disputed.

Both private and public sectors recognize the importance of having a sufficient supply of development ready land to meet demand for expanding local employers or attracting new business. “The experience of state and regional economic development experts indicates that accomplishing our region’s industrial retention, expansions and recruitment strategy depend on the immediate availability of an adequate supply of well-located, market priced and readily developable large-lot industrial lands.” Exhibits 12 and 17– Applicant’s Original Narrative Statement. The availability of land will

promote industry expansion and growth, attract new employers, provide additional and needed jobs, improve the overall quality of life, and improve public services, such as schools, parks, and public safety through better funding. Exhibits 10, 12– Applicant’s Original Narrative Statement.

As further stated in the County’s Comprehensive Plan:

“If Columbia County has marine/industrial sites available at the time a location opportunity occurs, it will have a chance. The availability of sites per se cannot guarantee success, but a lack of sites can guarantee that development will not occur.” Exhibit 9a– Applicant’s Original Narrative Statement.

Having large industrial sites available further promotes long-term livability goals. As stated by Phil Grillo: “Economic vitality is an important part of sustainability and is on equal footing with social and environmental vitality.” Exhibit 10– Applicant’s Original Narrative Statement. “To be successful in growing, retaining, and attracting future traded-sector jobs, the region must invest in its human, natural, and physical capital.” Exhibit 12– Applicant’s Original Narrative Statement. While regional economic health is dependent on a number of factors, one critical ingredient is the readiness of large-lot industrial lands.

The reports also demonstrate that the County would have a competitive advantage to attract users if a supply of large sites was generated, as proposed by this application which seeks to add 957 acres to the supply. Exhibits 24 and 25– Applicant’s Original Narrative Statement. Without expansion of supply, the outmigration of jobs to other areas will continue beyond the County and beyond our borders. Why should the Port of Longview, Port of Vancouver, and the Port of Portland be able to attract industry and jobs through expansion and not the Port of St. Helens? Why should those areas and those residents and local governments benefit and Columbia County not? The answer is simple: They should not!

The long-term demand for additional industrial and commercial land in Columbia County (outside the Scappoose UGB), is forecasted to add approximately 6,061 jobs. Exhibit 17– Applicant’s Original Narrative Statement. The employment sector expected to generate the most job growth is the industrial sector. To be competitive in a global marketplace and create jobs for the anticipated work force, Columbia County needs a variety of industrial lands to meet a future employer’s needs. Planning now is what will make lands available for industries and make the County competitive in attractive those industries and higher wage jobs. We know that when large lot industrial users are looking to locate, immediate site availability is major factor in making that location choice. Options are needed sooner than later. Certainty is

crucial. Available quality and readily developable land will play a pivotal, if not the most important role in the region's economic prosperity.

Having available inventory is the first and necessary step. Maintaining that inventory is the next step. The expansion represented by this application is the first and necessary step. Of note, approval by the County is encouraged by and consistent with the recommendation of the State Industrial Lands Taskforce. Their report sought to require all jurisdictions to update their industrial lands inventories and recommended that local governments amend their comprehensive plans to provide both a short and long term supply of readily available and developable industrial land to meet the varying needs of potential users. Exhibit 19– Applicant's Original Narrative Statement.

Economic – Conditions and Opportunities Factor:

The current recession has hit the State of Oregon and in particular its rural regions very hard. Columbia County is no exception. It has one of the highest jobless rates in the state and highest in the region at just under 10 percent. Exhibits 13, 21– Applicant's Original Narrative Statement. The area around Clatskanie is a "distressed community" economically speaking. It has been recognized by the State Department of Economic Development as economically lagging. Exhibit 9b– Applicant's Original Narrative Statement. While the County has a history of chronic unemployment problems, the County's current plight is one of the worst experienced since 1958. Exhibit 9c– Applicant's Original Narrative Statement. Seasonal and cyclical unemployment occurs because of insufficient economic diversity. Exhibit 9b– Applicant's Original Narrative Statement. Historically, the Portland metro region and Columbia County suffer larger employment downturns in recessions than is average for the U.S., a result which means that when jobs are lost, they are not recovered. Exhibits 12, 21– Applicant's Original Narrative Statement.

Columbia County is comprised of a few distinct regions, each with its own economic realities. The majority of growth seen in Columbia County has occurred inside incorporated areas and specifically those areas near larger urban centers in Portland, such as Scappoose, where we see the influx of people and investment from those urban areas that trickle down throughout the community. Exhibit 21– Applicant's Original Narrative Statement. However, the County's inland rural communities and those away from large urban centers do not enjoy those benefits and are further impacted by the economic downturn. While residents of border areas of the County regularly find employment outside of the County – a problem experienced by the County to a substantial degree greater than elsewhere in the state – its communities located away from large urban centers are not so blessed. Those communities, such as Clatskanie, find it difficult to attract industry, thus finding it difficult to create jobs and contribute to the tax base. Approximately 85% of the employment is in the Columbia River Valley between Rainier and Scappoose. The fact that the County lacks an

educational facility beyond high school causes further hardship. Exhibit 9b– Applicant’s Original Narrative Statement. The above factors have resulted in sub-regional disparities which are known to have impacts beyond jobs, housing, and transportation, to quality of life.

What is clear is that Columbia County needs to expand its economic base. Currently, Columbia County’s average wages (\$32,877) are significantly below wage levels state-wide – 17% below. However, the highest paid industries in the County are wholesale trade (\$53,049) and manufacturing (\$49,848). Exhibit 21– Applicant’s Original Narrative Statement. Columbia County has a large pool of skilled laborers ready to work and which are currently unemployed or underemployed.

Both Columbia County and the Port of St. Helens are entrusted with the obligation to create jobs. They are also entrusted with the obligation to create an environment to attract industry, in turn which supports the tax base upon which all residents rely in the form of local services. The Columbia River provides the framework to support those duties. As the dependence on the wood products industry decreases – which has and will continue to occur, the County must seek replacement industries to create those needed jobs. Exhibit 21– Applicant’s Original Narrative Statement. Almost 55% of Columbia County’s employment is either directly or indirectly dependent upon the forest products industry. Exhibit 9b– Applicant’s Original Narrative Statement. As such, diversification is crucial to minimizing the impact of economic downturns and avoiding the uncertainty associated with the wood products industry. While the industries that typically occupy large industrial sites are not overly labor-intensive, they represent a significant number of both temporary and permanent jobs (hundreds of jobs with tens of millions in payroll) for the County’s area residents and substantial capital investments for construction and development build out. They would also represent millions of dollars in tax revenue to benefit the State and Columbia County each year.

Despite the bad news, this region of Columbia County has a resource that other regions do not, a location advantage. Exhibits 24 and 25– Applicant’s Original Narrative Statement. As described above, the location of the property and existing facilities and services provide a comparative advantage for industries in need of large, vacant industrial sites.

There is no other industrial site – no other location – in the County that can satisfy the industrial land need. There is no other property in the County that can better, more efficiently, and more effectively meet that industrial land need while also reducing unemployment and seasonal unemployment and reducing the County’s dependence on a cyclical forest products industry. The subject property is by definition “Prime Industrial Land” – land that is well suited for traded-sector industrial uses, difficult or impossible to replicate in the planning area or region, and having access to multimodal transportation and freight infrastructure, including rail, a marine port, and

highways, all on major transportation routes. Exhibit 18– Applicant’s Original Narrative Statement.

Capitalizing on the situation and planning for rural industrial development on the property is encouraged by statute, executive orders, reports, and studies. As stated in the Comprehensive Plan: “The majority of economic growth and jobs in Columbia County initially must be based on natural resource and transportation system availability. These types of industries are land-extensive, not labor intensive.”

Following the efforts in 2003, economic and specifically industrial development has again been identified by the State as a high priority to ensure future economic viability and sustainability. By Executive Order in 2012, Governor John Kitzhaber created the Oregon Solutions Network. Its goal, he says, “is to approach community and economic development by recognizing the unique needs of each region in the state” and to work locally to solve problems and get things done. Exhibit 11– Applicant’s Original Narrative Statement.

Columbia County is in the North Coast Region. Out of the nine priorities identified to promote the economic and social vitality of the County, six relate specifically to industrial and economic development. Exhibit 11– Applicant’s Original Narrative Statement. They are:

- * Exploit opportunities in areas such as marine based industry, tourism, small manufacturing, forest products, agriculture and aviation;
- * Encouraging business incubation, manufacturing and new technologies by assisting start-ups and entrepreneurs;
- * Improve the readiness of industrial land by addressing wetlands, transportation access and infrastructure needs;
- * Increase the number of sites that have building-ready status;
- * Encourage creation of quality industrial flex-space;
- * Review, streamline and address regulatory impediments to economic development.

This application is consistent with the goals and interests of the State and County as it is intended to capitalize on its marine based industry, encourage new business, improve

the readiness of industrial lands, increase the number of ready to go sites, and address the existing impediments to economic development.

The importance of the Port of St. Helens and its property holdings is ingrained in state law. ORS 777.065 encourages the development of additional port facilities on property, such as that around Port Westward, as vital to state economic goals. ORS 777.065 provides:

“The Legislative Assembly recognizes that assistance and encouragement of enhanced world trade opportunities are an important function of the state, and that development of new and expanded overseas markets for commodities exported from the ports of this state has great potential for diversifying and improving the economic base of the state. Therefore, development and improvement of port facilities suitable for use in world maritime trade ... and the development of deepwater port facilities at ... St. Helens is declared to be a state economic goal of high priority. All agencies of the State of Oregon are directed to assist in promptly achieving the creation of such facilities by processing applications for necessary permits in an expeditious manner and by assisting the ports involved with available financial assistance or services when necessary.” (Emphasis added).

The Port of St. Helens is currently managing 39 business leases on port holdings (land or buildings) within the Port District. The annual economic benefit associated with these tenants and the following “port accomplishments” indicates that the Port of St. Helens supports 818 jobs, which generated \$88 million in annual gross domestic product. There is an additional component of short-term construction jobs and benefits not included in these numbers. Exhibit 17– Applicant’s Original Narrative Statement.

The Port district is within the Portland MSA, which is one of four primary international trade gateways along the West Coast. Rapidly growing Asian and Middle Eastern economies will result in significant increases in demand for trade into and out of most international and regional ports, including the Port of St. Helens. Commodity flow forecasts for the region project a doubling of freight volume over the next 20 years. This growth equates to an average annual growth rate of 2-3%, which is faster than the regional population growth rate. As global and state GDPs rise and commodity trade increases, Oregon ports could benefit from increases in imports and export activity. Oregon exports reached a record high of \$17.67 billion in 2010 (according to the most recent data by the U.S. Dept. of Commerce) up 18.5% from 2009. Oregon’s leading trade partner is China, which now imports about 23% of Oregon exports. Other leading export destinations in decreasing order include Malaysia, Canada, Japan, South Korea, and Taiwan. Exhibit 17– Applicant’s Original Narrative Statement.

Industrial employers that require large lots are frequently high-value traded-sector companies which provide good jobs and services that are then sold outside the region, bringing new dollars into the region. Exhibits 10, 12– Applicant’s Original Narrative Statement. This circulation of new money into the area then trickles down throughout the local economy, thereby bolstering local enterprises and supporting jobs and income in the local sector. There are 2.5 local sector jobs created by one high-skilled traded-sector job on average. Exhibit 12– Applicant’s Original Narrative Statement. Those traded- sector jobs also pay an average of about \$15,300 more annually in wages than non traded-sector jobs. Exhibit 12– Applicant’s Original Narrative Statement. “Growth in the traded sector generates growth in the local sector. As employment and income in the region increases, demand for local goods increases. More people and more money mean more customers for local grocery stores, restaurants, hairdressers, carpenters etc.” Exhibit 12– Applicant’s Original Narrative Statement. As traded sector increases employment and wages, we also see new business start ups increasing. Exhibit 12– Applicant’s Original Narrative Statement. Additionally, traded-sector jobs also evolve over time, responding to industry changes and demands.

The deep water location on the Columbia River, rail lines, and proximity to international trade routes – 3 crucial components to a successful port operation – are attributes that no other land or facility in the area possess. Exhibits 24 and 25– Applicant’s Original Narrative Statement. The importance of international trade to the economy of Columbia County cannot be underemphasized. International trade is one of the few sectors of the state and regional economy that is growing jobs and economic activity. Exhibit 12– Applicant’s Original Narrative Statement. Data shows that 1/4 of Oregon’s total manufacturing jobs depend on exporting and that Oregon manufactures and their workers depend on foreign customers for 1 in 4 sales dollars. International trade, including imports and exports, supports 470,000 jobs in Oregon. Workers at export oriented firms in the US earn between 9 and 18 percent more than their counterparts at non-export oriented firms. In 2008, Oregon’s merchandise exports exceeded \$19 billion. Exhibit 12– Applicant’s Original Narrative Statement. The time has come for Columbia County to share in this prosperity.

Additionally, “it is a widely accepted theory among economic development professionals that “employment clusters” are the primary force driving local economic currents and business location decisions.” Exhibit 17; See also Exhibit 21– Applicant’s Original Narrative Statement. This theory is along the lines of the theory of “economies of scale” where we see increase in efficiency of production as the number of goods being produced increases. “Clusters of economic activity go well beyond mere concentrations of industry or employment types. They represent unique competitive market advantages with regard to employment, work force, creativity, entrepreneurship, business costs, and supporting natural resources.” Exhibit 17– Applicant’s Original Narrative Statement. Economically, distinct cluster of economic engines often emerge around natural

resource or geographical advantages had over other areas. Exhibit 21– Applicant’s Original Narrative Statement.

Long-range planning for a strong economy must assure that sufficient readily developable land supplies are available so that economic growth is not restrained by a lack of land. Industrial tenants want a choice in site locations. Columbia County will be compared with other regions in the state and other states in making siting choices. In making that choice, tenants will look at market proximity, transportation access, and costs. Columbia County has before it a great opportunity to improve its economy and provide for its citizens.

Loss of Farm Land Issue:

While the proposal would result in rezoning over 900 acres of what is currently zoned as resource land, the loss is warranted and justified for several reasons. First, and as provided for above, the loss is minimized when compared to the potential benefits created by centralizing the County’s rural industrial development within the Port Westward area. Simply, there are no non-resource lands within the County that have a competitive advantage over the Port Westward area. To avoid repetition, applicant hereby incorporates by reference the narrative discussion under the headings industrial land shortage and economy above. The findings in those sections support the conclusion that the potential benefits created in rezoning the property and planning for future industrial development are substantial.

As well, rezoning the land will not result in the immediate replacement or removal of tree farm operations. Farming is an outright permitted use in the RIPD zone and will continue to occur, at least in the immediate future, on the property or portions of it.

Also, a significant amount of productive farm land occupies the entire area surrounding the subject property to the west, south, and east. Exhibit 4– Applicant’s Original Narrative Statement. Thus the rezoned land area accounts for but a small fraction of the overall amount of land zoned for resource use in the area, thereby minimizing the impact of the loss even more.

The areas of the subject property that are currently used for tree farming are under tax deferral, resulting in very small property tax payments to the County – less than \$7,000 per year. It is anticipated that when that same area is occupied by RIPD uses, they will contribute 10.4324 per \$1,000 in assessed value in taxes. Further assuming there would be millions of dollars invested on certain parcels by industrial users, that number would be far more and of greater benefit to the County.

According to Oregon State University Extension Service, the average net income associated with Oregon farming in 2007 was \$53 per acre. Exhibit 22– Applicant’s Original Narrative Statement. It is anticipated, based on numbers gained from existing operations in PWIP and similar industrial operations elsewhere, that the value added per developed acre of heavy industrial will be at a minimum \$700,000 to \$1,000,000 per acre or more. Exhibit 23– Applicant’s Original Narrative Statement.

In sum, the County’s loss of the property’s resource production is small when compared to the County’s gain from the future industrial uses centered on the available natural resources, services, and transportation advantages at Port Westward.

ORS 197.732(2)(c)(A): Reasons justify why the state policy embodied in the applicable goals should not apply.

COMMENT: Additionally, LCDC by rule in OAR 660-004-0020(2)(a) further defined the subsection (A) standard to require an applicant to: “*set forth the facts and assumptions used as the basis for determining that a state policy embodied in a goal should not apply to specific properties or situations, including the amount of land for the use being planned and why the use requires a location on resource land.*”

The reasons set forth above in response to OAR 660-004-0022(3) justify why the policies in Goal 3 should not apply to the property. For those reasons, ORS 197.732(2)(c)(A) and OAR 660-004-0020(2)(a) are satisfied.

ORS 197.732(2)(c)(B): Areas that do not require a new exception cannot reasonably accommodate the use

COMMENT: Additionally, LCDC by rule in OAR 660-004-0020(2)(b) further defined the subsection (B) standard to require an applicant to meet the following requirements:

(A) *The exception shall indicate on a map or otherwise describe the location of possible alternative areas considered for the use that do not require a new exception. The area for which the exception is taken shall be identified;*

COMMENT: Applicant has analyzed whether or not there are possible alternative areas that could support anticipated rural industrial development and that would not require a new exception – meaning it would already be planned and zoned for Resource Industrial development and would be capable of supporting very large scale industrial development. Applicant has identified the location of the exception area and the location of “alternative” areas by both maps and descriptions as required in both this narrative statement and in attached exhibits. The standard in OAR 660-004-0020(2)(b)(A) is satisfied.

(B) *To show why the particular site is justified, it is necessary to discuss why other areas that do not require a new exception cannot reasonably accommodate the*

proposed use. Economic factors may be considered along with other relevant factors in determining that the use cannot reasonably be accommodated in other areas.
Under this test the following questions shall be addressed:

(i) Can the proposed use be reasonably accommodated on nonresource land that would not require an exception, including increasing the density of uses on nonresource land? If not, why not?

COMMENT: This standard asks if the uses anticipated can be reasonably accommodated on non-resource land - land that is zoned for industrial uses or otherwise not require an exception. There are no other non-resource lands available in the County that have the competitive advantage of the Port Westward area and no non-resource lands available in the County at the scale needed to satisfy the large industrial users applicant is trying to attract. Simply, there are no other resource or non-resource lands in Columbia County that have existing road, rail and deep water maritime services as does the subject property.

The proposed uses for the property are detailed in narrative section A(d) above and incorporated by reference to avoid repetition. In short, the uses anticipated for the property would require substantial acreage and access to both rail and deep water shipping facilities. The types of business making inquiries with the Port have been seeking 50-300 acres to support their intended uses.

Not only is the subject property adjacent to the Columbia River, but it is ideally located adjacent to a naturally deep section of the river and served by a 43 foot shipping channel. Port Westward is the only property owned by the Port of St. Helens that is able to receive deep sea ships at water depths of 45 to 75 feet. This property can support any ship capable of entering the Columbia River.

Port Westward Industrial Park:

The Port Westward Industrial Park is identified on exhibits 3, 4, and 5 - Applicant's Original Narrative Statement, and described as that area that is north of the subject area and bounded by the Columbia River and Bradbury Slough. While the PWIP is oriented for very large industrial uses, the site is committed to other uses as identified in the County's Comprehensive Plan (exception area section) and the remaining "vacant" land is not available.

PGE leases 862 acres of the 905 acre Port Westward Industrial Park and has developed approximately 138 acres. Exhibit 9- Applicant's Original Narrative Statement. Developed on the property is a 500 MW electrical generating plant and a 400 MW electrical generating plant operated by PGE, a 1,250 foot dock, and a 1.3 million barrel tank farm, among other related facilities. Columbia Pacific Bio-refinery leases the remaining 43 acres.

While areas of PWIP appear vacant and "available" for additional development, they are not in fact so. Nearly the entirety of the area inside the existing PWIP and not currently developed is identified by the County as wetlands. Exhibit 6- Applicant's

Original Narrative Statement. Additionally, PGE, the leaseholder, controls which uses, if any it may allow on the leased property pursuant to the terms of its 99 year lease. Besides the two existing generating plant and tanks already on the site, PGE - through an Integrated Resource Plan (IRP) issued in 2010 - is proposing to construct an additional 200 MW at the site. Given the buffer required by PGE to protect its facilities, the fact that some property is located within the flood zone, extensive wetlands, existing easements and rail tracks throughout the site, there is minimum property remaining within the current already zoned RIPD area.

Opponents argue that there is available land in the existing industrial park and that expansion is not necessary at this time. Applicant has provided evidence to the contrary. There are currently 83 acres which the Port has control over and that are currently zoned RIPD and available to support a use application. Before the Port purchased additional acreage from Lower Columbia Tree Farm (737 acres), it only had 124 acres to work with – the 83 in the existing Port (zoned RIPD) and 41 acres zoned PA-80, which is included in the current zone change application. The 83 acres is not large enough to support the users the Port intends to market the additional acreage and compete on a national scale for large lot industrial business. Much of the land that is not currently developed in the existing Port Westward, including land this is currently in farm use, is controlled by PGE, retained for existing and additional use buffers, or otherwise is in wetlands/mitigation, as the record establishes.

Other opponents have submitted outdated brochures and advertisements of the Port to attempt to demonstrate that the Port has 1400 acres available for development. The brochure and other advertisements that indicate there are 1400 acres available included the land that was purchased from the Lower Columbia Tree farm (and is included in this application (737 acres)), as well as other property that the Port had a first right of refusal on with the Lower Columbia Tree Farm (534 acres). Exhibit 3- Applicant's May 30, 2013 Memo – Response to Leslie Ann Hauer Comments. All of that property is zoned PA-80 and not – from a land use planning perspective – available for development. Add those two numbers to the 83 acres zoned RIPD inside the Port and the 41 acres zoned PA-80 (and included in this application) and you have approximately 1400 acres. The first right of refusal has since expired, removing that property from consideration. Furthermore, advertising the property as available does not mean in fact it is ready for development. In short, as of today, there are only 83 acres in the existing Port Westward site available to the Port from a land use and legal perspective.

The economics of large lot/traded sector industries, as is commonly known and as established by the record, is such that interested businesses make location decisions within a 6 +/- month time frame. They want the certainty of being able to proceed (obtain approvals) or the decision to not proceed (permits denied) within that time frame so they can then look elsewhere. "Available" industrial land is an industry term, meaning that the land is available to make a use application. Localities are competing

on a national basis for these traded sector and large lot/heavy industrial businesses, recognizing the value they bring and maintain. The vacant industrial land currently available to the Port, 83 acres, is not large enough to support these industries, thus the reason it has not developed and thus the very reason for this application.

Other Port of St. Helens' Property:

The Port of St. Helens Columbia City Industrial Park – located between Highway 30 and the Columbia River in Columbia City – is a 93 acre industrial park that has only 40 acres available. The Port's administrative offices are located here. Both rail and maritime access are available, but the acreage available and the depth of the port (24' – 30') is insufficient to support the anticipated large scale/port dependent users. Existing docks also require structural analysis and do not support shipping other than barges. Exhibit 17- Applicant's Original Narrative Statement.

The Port of St. Helens' McNulty Creek Industrial Park is located off Gable Rd. between Hwy 30 and Old Portland Rd. in the City of St. Helens. The park has less than 50 acres of heavy industrial land available and it has no maritime access. While the park is served by utilities and rail, the lack of available land and no maritime access make it insufficient to support the anticipated large scale/port dependent users. Exhibit 17- Applicant's Original Narrative Statement.

The Port of St. Helens' Milton Creek Industrial Park is located along Port Ave. and Milton Way in the City of St. Helens. The light industrial park is 83 acres and has only a few Port owned scattered small acreage sites available for development. While the park is served by utilities and rail, the lack of available land and no maritime access make it insufficient to support the anticipated large scale/port dependent and heavy industrial users. Exhibit 17- Applicant's Original Narrative Statement.

The Port of St. Helens' Multnomah Industrial Park is located on Old Portland Road in St. Helens. The 130 acre heavy industrial park has only 5 acres available. It is the home of ORPET bottle recycler. The park has utilities and rail access. Exhibit 17- Applicant's Original Narrative Statement. However, the lack of available land and no deep water maritime access make it insufficient to support the anticipated large scale/port dependent users.

The Port of St. Helens' Railroad Corridor Park is located off Railroad Ave. between Old Portland Road and the Multnomah Channel in the City of St. Helens. The park is 90 acres with 17 acres available. Approximately 20 acres may be environmental constrained due to contamination. While the heavy industrial site has utilities and rail connection, the lack of available land and no deep water maritime access make it insufficient to support the anticipated large scale/port dependent users. Exhibit 17- Applicant's Original Narrative Statement.

The Port of St. Helens' Scappoose Bay Marine Park does not support industrial users. Exhibit 17- Applicant's Original Narrative Statement.

The Port of St. Helens' Scappoose Industrial Airpark is located one mile northeast of Scappoose. This airpark is the second business non-towered general aviation airport

in Oregon and provides “reliever” capabilities to Hillsboro and PDX. The park supports aviation oriented industries and other smaller scale industrial users. Exhibit 17- Applicant’s Original Narrative Statement. The lack of available land and no deep water maritime access make it insufficient to support the anticipated large scale/port dependent users.

Astoria and Elsewhere in the Region:

In Oregon, there are only four other Ports capable of receiving deep sea ships – the Port of Astoria at 40 feet, the Port of Newport at 40 feet, the Port of Portland at 43 feet and the Port of Coos Bay at 45 feet. Those ports serve other regions and benefit other local economies and local governments. The Port of St. Helens facility at Port Westward has a locational advantage over the Port of Portland in that it is only 53 miles to the ocean with readily available unit train capacity. That locational advantage is a comparative advantage over the Port of Portland and will benefit the Port and Columbia County in attracting industry. The Port’s proximity to the Portland metro market and its ability to provide large parcels of land in combination with maritime and rail access is a unique combination of positive attributes that are not found anywhere else in Oregon.

There is no large lot industrial land available in Astoria. The Port of Astoria has only 2 deepwater properties that could potentially accommodate the type of industries anticipated on the subject property. One of their properties with access to one of their main piers with a 40 foot draft is only 3 acres. The other property is only a 30 acres site at Tongue Pt. It is our understanding that Tongue Pt. has environmental issues associated with it and the rail lines need substantial improvement to support new uses. The lack of available large acreage sites, coupled with other constraints, make the land at the Port of Astoria unavailable for anticipated users of the subject property. Additionally, the Port of Astoria supports the economy of Clatsop County, not Columbia County.

Other than the Port of Portland, there are no other northwestern Oregon locations that provide the land-rail-deepwater port capacity like that which is available at the subject property. Also, while some large lot industrial land may be available in the Port of Portland, it is not located in Columbia County nor does it benefit Columbia County. As well, Port Westward has unique attributes and has a significant comparative advantage over the Port of Portland to improve the County’s economy and its ability to provide social services in many ways as discussed above.

North of Prescott and South of Prescott

Both the Trojan site and the property north of it are owned by PGE. Applicant inquired with PGE about their property in response to the opponent’s alternative lands claim. According to PGE most of the property is either developed; completely taken by wetlands; by a native American burial site; leased to Columbia County for park and beach access use (approximately 65 acres); or still being used by PGE for storage of Trojan’s (former nuclear plant) spent fuel rods. PGE’s representative indicated that even when they built the original Trojan facility they struggled to get any usable land

give topographical limitations. The area west of the water front property is also owned by PGE. The area north of the developed site is Prescott Beach, one of the few public access beaches in Columbia County.

Developing these two areas as heavy industrial parks would require the displacement of community parks and beaches, as well as filling significant wetlands, unlike the subject property. Both areas are inundated with water, including lakes and wetlands. Those environmental constraints and impacts associated with development are not found at Port Westward. The river adjacent to Prescott also includes a designated anchorage area which would inhibit the ability of large vessels to dock. There are also no developed docks. As well, there are no developed facilities/infrastructure, in addition to the dock, such as a rail yard, that can support and be economically and efficiently be extended to new users. These facilities would have to be duplicated in this area. As well, the land area is parcelized, with rail and road separating the lots north to south, and are not (because of the acreage and layout) of sufficient size to accommodate heavy industrial users, which need between 100 to over 200 acres to accommodate the use, infrastructure extensions, and buffers. Developing new rail yards to support industrial uses and expanding industrial uses require hundreds of acres. Exhibit 7- Applicant's June 3, 2013 Memo – Response to Alternative Analysis Objections. Additionally, the electric supply would need to be upgraded in the form of a new substation to meet energy needs, as it was a needed to be for Port Westward. Unlike Port Westward where infrastructure and services only need to be extend to new development site, the cost to develop new facilities from scratch (hundreds of millions of dollars) would represent a barrier to development. The cost to develop a rail yard alone is hundreds of million dollars. Exhibit 7- Applicant's June 3, 2013 Memo – Response to Alternative Analysis Objections. In short, these sites are not comparable or suitable alternatives economically, physically, topographically or otherwise. The findings concerning Prescott are supported by the attached Exhibit 1 as well as the existing record.

North of Columbia City

Applicant is unsure of what 100 acre RIPD property the objectors are referring to. The Port owns 93 acres along the river in Columbia City. Further north, the land is owned by Knife River and is a mining operation. In the past, the Port inquired about property owned by Knife River and was informed they would only part with a 10 acre site, a 45 acre site, and a 47 acre site. The Port's investigation revealed those sites were lowland site, surrounded and impacted by water and wetlands, as well as being of a shape that was not conducive to heavy industrial development. A photo of the site identifying those lands is attached in Exhibit 3- Applicant's June 3, 2013 Memo – Response to Alternative Analysis Objections.

The area north of Columbia City is insufficient for several reasons. First its size, layout, and topographical constraints make development impracticable and unable to support heavy industrial development and the associated infrastructure needs as discussed above in response to other alleged alternative sites. The Columbia River in this area would not support a large vessel outside of the navigational channel without dredging. There is insufficient area to develop a rail support for this site, let alone developable industrial land. The findings concerning Columbia City are supported by the attached Exhibit 3 - Applicant's June 3, 2013 Memo - Response to Alternative Analysis Objections, as well as the existing record. Columbia City is not comparable or a suitable alternative economically, physically, topographically or otherwise.

South of St. Helens - Boise Cascade Paper Mill

The Port is very familiar with the Boise site. There are many reasons why this site is not an alternative site for large lot heavy industrial uses the application seeks to plan for. First, the 200 acres mentioned is not all usable. Most of the site is taken by the combined Boise/City of St. Helens treatment plant. Second, Cascade Tissue still operates at the site. The vast majority of the site not currently developed is low lying, wet most of time and would require substantial fill in order to be developed, unlike the Port property. Additionally, unlike the subject Port property, the site has some major environmental issues that need to be addressed. The Port owns the adjacent property, which was contaminated by the previous owner and has been under the supervision of the same project manager at DEQ. To undertake an additional property with environmental contamination concerns is beyond the economic capabilities of the Port. Even if the site were stripped clean of all its current development and contamination, the total developable acreage would not be sufficient as discussed above. Furthermore, the site is located in the Multnomah Channel and not in the Columbia Channel, with no opportunity for deep water vessels. This waterway is not maintained for deep draft vessels and no dredging is or should be performed. Rail would also not be operable, given that trains operating at this site would be a challenge and lead to main roads in St. Helens being blocked given the proximity. The findings concerning St. Helens are supported by the attached Exhibit 4 - Applicant's June 3, 2013 Memo - Response to Alternative Analysis Objections, as well as the existing record. The property is not comparable or a suitable alternative economically, physically, topographically or otherwise.

Mayger

Applicant is not sure what property is referred to by Ms. Hauer's claim that Mayger is alternative and available land. If she is referring to the 83 acres, that property is currently in PWIP and zoned RIPD. That property was specifically addressed in the memorandum submitted in response to Ms. Hauer's comments.

City of Portland

One commenter suggested that the City of Portland and its metro area have substantial industrial lands available in urban reserves. As a matter of law, urban reserves are not available lands or zoned for rural industrial development. They are set asides for future urban uses. Furthermore, not all industrial land in the City of Portland is suitable or comparable to the Port's and the subject property. And lastly, the overwhelming evidence is that there is an insufficient supply of large lot industrial sites in the region and more importantly in Columbia County.

Another point to consider – the deepening of the Columbia River navigational channel.

The investments made in public and private infrastructure to support industrial development in the area of Port Westward are well documented and not duplicated elsewhere (ex: electrical, natural gas, rail yard, dock, roads). To require duplication to accommodate large lot heavy, rural industrial development elsewhere is bad planning and imprudent economically, nor realistic.

The backbone of this application and what makes the subject property, its location, its topography, and attributes so unique is the Columbia River. A substantial sum of money and extensive planning, development, and mitigation effort went into the regional effort, led by the federal government, to deepen the Columbia River navigational channel from 40 feet to 43 feet. Exhibit 6- Applicant's June 3, 2013 Memo – Response to Alternative Analysis Objections. Those efforts are ongoing. The additional three feet was deemed necessary to ensure the ability to accommodate deep water draft vessels and promote the economic advantages of Ports along the river. The deepening was specifically done to support traded sector industry in Oregon and Washington. One Port that was intended to benefit from the significant financial and physical effort was the Port of St. Helens, and more specifically it's Port Westward Industrial Park. Focusing heavy industrial development on lands, such as the subject property, that can benefit from this public investment is an obligation of the state and local governments and represents both an economical and efficient use of land.

Applicant also relies on the Port Westward Goal 3 exception statement in the Comprehensive Plan (Exhibit 9c) as additional support for why non-resource lands are not available to reasonably accommodate anticipated rural industrial development.

Applicant also incorporates the findings in response to OAR 660-004-0022(3) above for additional support to demonstrate compliance.

For those reasons and the reasons set forth above, OAR 660-004-0020(2)(b)(B) (i) is satisfied.

(ii) Can the proposed use be reasonably accommodated on resource land that is already irrevocably committed to nonresource uses not allowed by the applicable Goal, including resource land in existing unincorporated communities, or by increasing the density of uses on committed lands? If not, why not?

COMMENT: This standard asks if the proposed use can be accommodated on resource land this is already irrevocably committed to nonresource uses. There is no resource land in Columbia County that is already irrevocably committed to nonresource use and that could reasonably accommodate the intended uses for the subject property. The proposed uses for the property are detailed in narrative section A(d) above and incorporated by reference to avoid repetition. As provided above, the uses anticipated for the property would require substantial acreage and access to both rail and shipping facilities.

Not only is the subject property adjacent to the Columbia River, but it is ideally located adjacent to a naturally deep section of the river and served by a 43 foot shipping channel. Port Westward is the only property owned by the Port of St. Helens that is able to receive deep sea ships at water depths of 45 to 75 feet. This property can support any ship capable of entering the Columbia River. The site is also served by rail and road facilities. These conditions are not replicated anywhere else in Columbia County.

Applicant also incorporates the findings in response to OAR 660-004-0022(3) above for additional support to demonstrate compliance.

For those reasons and the reasons set forth above, OAR 660-004-0020(2)(b)(B) (ii) is satisfied.

(iii) Can the proposed use be reasonably accommodated inside an urban growth boundary? If not, why not?

COMMENT: The industrial development anticipated for the subject property cannot be accommodated inside an urban growth boundary within Columbia County. First, large scale industrial development requires from twenty-five to hundreds of acres to support the use. There are no areas inside an urban growth boundary within Columbia County that could satisfy those requirements. Secondly, the primary purpose for expanding PWIP to include the subject properties is to take advantage of the deepwater port and naturally occurring deep channel adjacent to the site. There is no area inside an urban growth boundary with those natural resource benefits and economic advantage. The uses anticipated on the subject property are more appropriately located away from dense populations given their scale.

Columbia County has seven incorporated cities – Clatskanie, Columbia City, Prescott, Rainer, Scappoose, St. Helens, and Vernonia; of which only 306 square miles are located within the Port District and does not include Vernonia. The land available in Columbia City is Port property and discussed above. The locations within Urban Growth Boundaries are not compatible with the anticipated use on the property due to their relationship with the site specific resources noted in the Comprehensive Plan. Additional reasons are as follows.

Scappoose:

Scappoose currently has 95 acres available for future industrial uses, but the sites are not large enough for land intensive uses. The site has no deepwater port or rail

access. The Scappoose urban growth boundary is being expanded to include additional acreage for commercial, industrial, and institutional uses. The land is not intended to accommodate a large scale industrial use or uses, but rather small to medium size uses which relate to its urban and aviation oriented location. As well, there is no port or rail access to support the uses anticipated for the Port property. Also, the industrial lands expansion will benefit the southern portion of the County's residents in terms of jobs and economic growth and not the northern portion of the County impacted by the subject application.

Approximately 380 acres of industrial land was added to the Scappoose UGB, including several large parcels. The expansion, which is still on appeal, includes 354 acres adjacent to the airport, which is to be zoned PUA – Public Use Airport Zone. The remainder of the land (approx. 26 acres) is located in the Southern portion of Scappoose and is planned to be zoned commercial. These properties are not planned for, nor intended to support large scale heavy industrial uses. Additionally, none of these properties have direct access to rail or water and therefore do not benefit from the needed multi modal transportation infrastructure. As one can see from the current zoning map in Scappoose, there are limited to no opportunities for industrial property in Scappoose and none that can support large scale/large lot heavy industrial users. Again, the county's code and plan require those uses to be located away from urban populations. As well, no property in Scappoose provides direct access to a deep water channel. The findings concerning Scappoose are supported by the attached Exhibit 5- Applicant's June 3, 2013 Memo – Response to Alternative Analysis Objections, as well as the existing record. Scappoose is not comparable or a suitable alternative economically, physically, topographically or otherwise.

Prescott:

Prescott has no lands designated as industrial.

Clatskanie:

Clatskanie has only 33 acres available for future industrial use. The sites have environmental constraints and no deep water or rail access, which make it insufficient to support the anticipated uses. Property within the Clatskanie urban growth boundary is suitable for light industrial development and can better coexist with urban residents. Exhibit 21 – Applicant's Original Narrative Statement.

Vernonia:

Vernonia has a site of 135 acres that would serve only its local area and is not competitive with the proposed area. The lack of available land and no rail or deep water maritime access make it insufficient to support the anticipated uses.

St. Helens:

St. Helens has a total of 280 acres for future industrial uses under several ownerships. Labor intensive industrial are the preferable use for these site. Air shed

issues exist for any future development. The lack of rail and deep water maritime access makes it insufficient to support the uses anticipated for the Port property.

Rainier:

Rainier has over 450 acres for future industrial uses intended for labor intensive uses. It is not planned for large lot industrial users. Much of the site is composed of dredge fill and air shed problems are a factor for this area. As well, the rail line is separated from the site by a road and there is no deep water access available, which make the site unavailable to support the uses anticipated for the Port property.

David Anzur of Portland & Western Railroad informed the Port that about 5 or 6 years ago they looked at and evaluated the property just north of Rainier for heavy industrial uses to be supported by rail service. Their analysis was not only of the site, but also of the rail service, and river access. Their analysis determined the site would not work. According to him the site is much lower than the railroad's mainline and would require a lot of fill. The site also has wetlands and drainage issues. Also, P&WR stated the site does not have enough capacity for a unit train without blocking the mainline – towards Rainier, and that the site does not have enough space to build a loop track. The site's alternatives for access to the river were also not positive, as there is not deep enough access for a large vessel. See P&WR letter attached as Exhibit 2- Applicant's June 3, 2013 Memo – Response to Alternative Analysis Objections. .

The navigational maps support the findings concerning river access. Concerning the river, deep water is not encountered until reaching the navigability channel, which limits the potential for a dock and the ability of the site to accommodate deep water ships. Navigational rules require docking to take place a distance outside the channel so as to not obstruct movement.

There is a very wide strip of county inventoried wetlands associated with the site that would adversely impact development potential.

Although the property is zoned both heavy industrial and light industrial, the ownership is parcelized, which limits the ability to consolidate the parcels to accommodate a large acreage industrial user. That limitation represents a barrier to development which the subject Port property does not have. The light industrial zoned property, as well as the heavy industrial zoned property south of the County road, is currently developed with numerous residential uses. The heavy industrial property adjacent to the river consists of wetlands and low lying land that is within the flood plain/below the dyke (created in part by the rail line) and unsuitable for anything but river access development, which itself, as discussed above is constrained by adjacent river topography. Substantial fill would be required to make the site usable, unlike the subject property. Portions of the Rainier property – the heavy industrial zone property – is a public park and public beach and owned the Oregon Division of State Lands and Columbia County.

Developing a rail yard and additional infrastructure customarily needed for heavy industrial uses at this site would consume much of the acreage identified by the objectors as an alternative, leaving little for the actual use. Rail yards take between 100 and 200 acres and costs hundreds of millions of dollars.

Furthermore, the area is in close proximity to Rainier, and therefore not appropriate for Rural Industrial uses under the RIPD zone, which the county seeks to locate away from populated areas. The findings concerning Rainier are supported by the attached Exhibit 2- Applicant's June 3, 2013 Memo – Response to Alternative Analysis Objections, as well as the existing record. The property north of Rainier is not comparable or a suitable alternative economically, physically, topographically or otherwise.

Applicant also incorporates the findings in response to OAR 660-004-0022(3) above for additional support to demonstrate compliance.

For those reasons and the reasons set forth above, OAR 660-004-0020(2)(b)(B) (iii) is satisfied.

(iv) Can the proposed use be reasonably accommodated without the provision of a proposed public facility or service? If not, why not?

COMMENT: Port Westward has developed public facilities and services for rural industrial development. Substantial investments have been made; including a 1,250 foot dock, electrical generating plants, 1.3 million-barrel tank farm, and related facilities. Natural gas lines run through the eastern portion of the subject property. The Clatskanie PUD recently invested \$10.9 million on a new substation and 115 kv transmission lines to serve the site. Cascade Networks has also recently supplied new fiber optic to the area providing high speed internet to the site.

Additionally, rail lines run throughout Port Westward, connecting to the Portland & Western Railroad line serving the area. Within the past four years, \$6.3 million was spent to improve the rail facilities serving the property. Exhibit 2 – Applicant's Original Narrative Statement.

The property is and can be adequately served by county roads which provide access to Hwy. 30. Hermo Road provides access to the western and central portions of the property and Kallunki Road to the eastern portion. Exhibit 2-Applicant's Original Narrative Statement. Based on the Port Westward Urban Renewal Plan, the Columbia County Development Agency spent \$8 million in road improvements to support PWIP users, which would also benefit future users of the subject area. Exhibit 17-Applicant's Original Narrative Statement.

Water and sewer, as well as other needed services such as fire protection, are privately funded and constructed. Nearly \$8 million was recently spent for water system improvements.

As demonstrated, significant investments have been made in the area's services and facilities to serve rural industrial development.

The existing infrastructure, as well as examples of successful large scale developments, provides the framework for additional rural industrial development in the area. The expansion of Port Westward to include the subject property represents an economical and efficient extension of the industrial property and a timely, orderly and efficient arrangement of services and facilities. The application attempts to group development around existing services and provides the benefits of a planned development area.

Applicant also incorporates the findings in response to OAR 660-004-0022(3) above for additional support to demonstrate compliance.

For those reasons and the reasons set forth above, OAR 660-004-0020(2)(b)(B) (iv) is satisfied.

(C) *"The 'alternative areas' standard in paragraph B may be met by a broad review of similar types of areas rather than a review of specific alternative sites. Initially, a local government adopting an exception need assess only whether those similar types of areas in the vicinity could not reasonably accommodate the proposed use. Site specific comparisons are not required of a local government taking an exception unless another party to the local proceeding describes specific sites that can more reasonably accommodate the proposed use. A detailed evaluation of specific alternative sites is thus not required unless such sites are specifically described, with facts to support the assertion that the sites are more reasonable, by another party during the local exceptions proceeding."*

COMMENT: The subject application includes an extensive and thorough discussion of the documented shortage of large lot industrial sites that area capable of supporting and being marketed to heavy industrial businesses. Report after report, from both private and public entities, from state and regional interests, confirm that shortage. There is simply no large lot land in Columbia County – or the region for that matter - that can support large lot heavy industrial users and provide multi modal transportation support. There is no property, whatever its zone may be, or where it may be, that is capable of supporting heavy industrial users, providing developed and extensive rail facilities, and a deep water port, as well as access to highways and interstates. Additionally, there is no property that can do so as effectively and efficiently as the subject property given existing infrastructure and the substantial investment (both public and private) that has occurred and will continue in support of Port Westward and to promote traded sector industries. Also, there are limited to no topographical restrictions, unlike other

properties, that will limit the use of land and require additional expansions elsewhere to meet the needs of our economy.

The application also includes a developed economic analysis proving demand and the need for additional RIPD zoned property in the County as well as a detailed inventory analysis. The alternatives analysis also represent findings to supplement the EESE analysis included with the application and in response to *OAR 660-004-0020(2)(c)*.

In response to the criteria above, applicant provided detailed alternative site analysis, although such analysis is not expressly required as stated in this subsection standard. The analysis was provided to examine similar types of areas in the vicinity and region to demonstrate that they cannot reasonably accommodate uses anticipated for the subject property and that they do not represent a comparative economic advantage to Columbia County. It can now be stated unequivocally, there is no other area – urban or rural – resource or exception area - that currently has, could provide, or otherwise make land available to support the large scale/port dependent industrial uses anticipated for the subject Port property. No other property has the existing facilities, rail and deep water access, and history of development compatibility and success that comes close to being a reasonable substitute for the Port's property.

Although not required to in its initial application submission, the Port's application included an analysis of other industrial land sites. The Port looked to see if any non-exception land provided or could provide a deep water port, rail, and truck supportable industrial property. There is none. The Port looked to see if any resource land for which an exception could be taken which could provide a deep water port, rail and truck supportable industrial property. There is none. The Port looked in urban areas, on farm land, and already developed land. There is none. The rule requires applicant to consider those areas with a similar competitive advantage. There are only 4 deep water ports in Oregon. Port of Astoria, Port of Coos Bay, Port of Portland, and Port of St. Helen's Port Westward. The Port considered and discussed those as well. Other than the Port of Portland, there are no other northwestern Oregon locations that provide the land-rail-deepwater port capacity like that which is available at the subject property. Also, while some large lot industrial land may be available in the Port of Portland, it is not located in Columbia County nor does it benefit Columbia County. As well, Port Westward has unique attributes and has a significant comparative advantage over the Port of Portland to improve Columbia County's economy and its ability to provide Columbia County social services – which the Port of Portland does not support.

While the opponents have generally described a handful of sites as possible alternatives– their locations have not been specifically indentified (which makes it difficult for applicant to respond) and there have been no facts to assert that the sites are more reasonable, considering economics and other factors relevant in addressing the rural industrial land shortage for large lot industrial sites. *OAR 660-004-0020(2)(b)(C)*. Additionally, the alleged alternative sites have not been specifically described with

facts by the opponents to support their assertions that the sites have significantly fewer adverse impacts, as is required of the opponents by OAR 660-004-0020(2)(c).

Despite those shortfalls, applicant responded to the alternative site suggestions. The claims that other large lot industrial land capable of supporting heavy industrial, multi modal dependent, development projects in an economic and efficient manner are not true.

From the outset, applicant acknowledges that the subject exception request plans for the loss of resource land and seeks to eventually replace resource uses on portions of the property with heavy industrial uses. Applicant also recognizes that removing resource lands from production represents an economic loss to the agricultural sector of the economy. However, as represented by current development at the Port, resource uses are anticipated to continue in the form of buffers associated with new development and until industrial development is located on the property. The historical evidence – which is non-biased information – suggests that approving the subject application will not impact the ability of resource uses to operate near the proposed site. Furthermore, the economic benefits associated with large lot heavy industrial uses, including higher wage – full time employment and revenues generate from infrastructure development, facility development, and business, as well tax revenues that far and exceed those generated from resource lands, demonstrate that economics favor the subject application.

Admittedly, some of the sites alleged as alternatives would not result in the loss of resource land. Some are already zoned for various forms of industrial use, while others are used as Goal 5 resources, parks, and beaches. Also, much of the acreage indentified as alternative are constrained environmentally, with wetlands, lakes, and low lying conditions, as well as contamination, unlike the subject site. So while the subject site does represent a loss of resource land, other factors when considered and balanced against the alleged alternatives, weigh in the subject site's favor and support the approval of this application.

All industrial uses require the use of water, no matter where they are located. Water resources include available groundwater and rights from the Columbia River, which are all regulated by the State of Oregon Water Resources Department. Groundwater aquifers are constantly recharging given their proximity and the property proximity to the Columbia River. The water table, as compared to properties not located near the river, is relatively close to the surface. As such, locating anywhere along the river would result in the same water access benefits.

Concerning environmental impacts, such as those alleged to protected fish species, the subject property represents less of an impact than other sites. Other sites alleged are largely wet, located in flood plains or low lying land, and located along long stretches of the Columbia River and its sloughs. Compared to the Port site, the alternatives alleged would result in more wetlands disturbance, filling, and dredging to support development and multi modal transportation needs.

The Port property – over 700 acres - that will be available for future industrial development is upland – above the floodplain and away from the river - and will not alter protected habitat. While 171 acres of Thompson property (the only property in the flood plain) was included in the application to provide for future river access, only small portions of this property will be used for elevated dock/river access structure support. The disturbance will be minimal (pilings and dock supports) and only done after approval by state and federal agencies, and then in accordance with their standards. This will occur far from the protected rearing sites near Crims and Gull Islands. The remaining portion of the Thompson property will be undisturbed. The property most important to ensuring additional river access needed to support multi-model use industries is the northern most Thompson lot – 8N4W1600-500. As the evidence demonstrates, that property has direct and proximate access to the deep water channels that will be used in association with future development.

Applicant incorporates the findings in response to OAR 660-004-0020(2)(b)(B) above for additional support to demonstrate compliance.

For those reasons and the reasons set forth above, OAR 660-004-0020(2)(b)(B) (v) is satisfied.

ORS 197.732(2)(c)(C): *The long term environmental, economic, social and energy consequences resulting from the use at the proposed site with measures designed to reduce adverse impacts are not significantly more adverse than would typically result from the same proposal being located in areas requiring a goal exception other than the proposed site*

COMMENT: Additionally, LCDC by rule in OAR 660-004-0020(2)(c) further defined the subsection (C) standard to require an applicant to meet the following requirements:

The exception shall describe: the characteristics of each alternative area considered by the jurisdiction in which an exception might be taken, the typical advantages and disadvantages of using the area for a use not allowed by the Goal, and the typical positive and negative consequences resulting from the use at the proposed site with measures designed to reduce adverse impacts. A detailed evaluation of specific alternative sites is not required unless such sites are specifically described with facts to support the assertion that the sites have significantly fewer adverse impacts during the local exceptions proceeding. The exception shall include the reasons why the consequences of the use at the chosen site are not significantly more adverse than would typically result from the same proposal being located in areas requiring a goal exception other than the proposed site. Such reasons shall include but are not limited to a description of: the facts used to determine which resource land is least productive, the ability to sustain resource uses near the proposed use, and the long-term

economic impact on the general area caused by irreversible removal of the land from the resource base. Other possible impacts to be addressed include the effects of the proposed use on the water table, on the costs of improving roads and on the costs to special service districts.

COMMENT: Applicant provided a detailed analysis of the site, surrounding area, existing conditions, economic conditions, loss of resource land, alternatives, and opportunities the subject property and application represent. When considering the long-term environmental, social, economic, and energy consequences, a Goal 3 exception for the property would not result in more significant adverse impacts than would typically result from the same proposal located on non-resource land or other areas requiring a goal exception. The findings to demonstrate compliance with this standard can be found in response to OAR 660-004-0022(3) and OAR 660-004-0020(2)(b)(B) above, which are hereby incorporated by reference as set forth in full. Applicant also provides the following additional findings.

The subject application is a short and long term planning application. It is intended to address the documented shortage of available large lot industrial sites in the region and specifically in Columbia County. It is intended to create the land use planning framework to provide the opportunity for a potential user to apply for a Resource Industrial Planned Development land use application on the property. If the subject application is denied, the County's large lot industrial land shortage will not be addressed and both the Port and Columbia County will not be able to capitalize on the unique attributes of Port Westward and existing infrastructure; they will not be able to attract traded sector industries to create jobs, supply substantial government revenues, and support for local services.

Both private and public sectors recognize the importance of having a sufficient supply of development ready land to meet demand for expanding local employers or attracting new business. As stated in the application: "The experience of state and regional economic development experts indicates that accomplishing our region's industrial retention, expansions and recruitment strategy depend on the immediate availability of an adequate supply of well-located, market priced and readily developable large-lot industrial lands." The long-term demand for additional industrial and commercial land in Columbia County (outside the Scappoose UGB), is forecasted to add approximately 6,061 jobs. The employment sector expected to generate the most job growth is the industrial sector. To be competitive in a global marketplace and create jobs for the anticipated work force, Columbia County needs a variety of industrial lands to meet a future employer's needs. Planning now is what will make lands available for industries and make the County competitive in attracting those industries and higher wage jobs.

The expansion represented by this application is the first and necessary step. There is no other industrial site – no other location – in the County that can satisfy the

industrial land need. There is no other property in the County that can better, more efficiently, and more effectively meet that industrial land need while also reducing unemployment and promoting economic diversity. The subject property is by definition "Prime Industrial Land" – land that is well suited for traded-sector industrial uses, difficult or impossible to replicate in the planning area or region, and having access to multimodal transportation and freight infrastructure, including rail, a marine port, and highways, all on major transportation routes. The alleged alternative sites are not by definition Prime Industrial Lands. The deep water location on the Columbia River, rail lines, and proximity to international trade routes – 3 crucial components to a successful port operation – are attributes that no other land or facility in the area possess.

Environmental Consequences:

Approval of the zoning and plan amendment will not have any negative effect on sensitive environmental features. Columbia County does not identify the site as having any significant natural resources. The Columbia County Comprehensive Plan also does not identify the site as having any significant natural resources. The Port property – over 700 acres - that will be available for future industrial development is upland – above the floodplain and away from the river - and will not alter protected habitat. While 171 acres of Thompson property (the only property in the flood plain) was included in the application to provide for future river access, only small portions of this property will be used for elevated dock/river access structure support. The disturbance will be minimal (pilings and dock supports) and only done after approval by state and federal agencies, and then in accordance with their standards. This will occur far from the protected rearing sites near Crims and Gull Islands. The remaining portion of the Thompson property will be undisturbed. The property most important to ensuring additional river access needed to support multi-model use industries is the northern most Thompson lot – 8N4W1600-500. As the evidence demonstrates, that property has direct and proximate access to the deep water channels that will be used in association with future development.

Beaver Drainage District, PGE and the Port are working on a re-certification of the existing Levee, which is a new FEMA requirement. The Port expects the certification to be completed in approximately a year. In addition, no steep slopes are identified on topographic maps of the area. The area is predominately flat. Because of the above benign conditions, the potential adverse impacts from development are not significantly more adverse than would typically result from the same proposal being located in other areas requiring a plan amendment and exception.

There is a small pocket of mapped wetlands in the NE corner of the site. Exhibit 6. Because of the protections planned for any identified wetlands, the potential adverse impacts from development are not significantly more adverse than would typically result

from the same proposal being located in other areas requiring a plan amendment and exception.

As well, the wetlands map depicts large quantities of wetlands in the existing PWIP. Exhibit 6 – Applicant's Original Narrative Statement. Development of additional lands in the PWIP would remove and adversely impact designated wetlands. On the other hand, development on the subject property would impact very little to no wetlands. Exhibit 6-Applicant's Original Narrative Statement.

Additionally, no significant adverse consequences to nearby users are anticipated. In analyzing those environmental consequences, the County is benefited by a 25 plus year history of large scale industrial development adjacent to resource uses at this property. There is no evidence that those industrial uses have significantly impacted or altered adjacent farming and tree farming operations. The evidence is that tree farms and mint farms have operated during that time adjacent to and within the PWIP facilities, including on buffer lands around the industrial facilities. Their existence supports the ability to sustain resource uses near rural industrial uses. Additionally, very few rural residences exist in the area. As demonstrated below in response to ORS 197.732(2)(c)(D), the proposed/anticipated uses will be compatible with adjacent uses.

The primary environmental impact is the removal of acreage from the resource zone. That loss is minimized when compared to the potential benefits created by centralizing the County's rural industrial development within the Port Westward area. Simply, there are no non-resource lands within the County that have a competitive advantage over the Port Westward area. To avoid repetition, applicant hereby incorporates by reference the narrative discussion under the headings industrial land short and economy above. The findings in those sections support the conclusion that the potential benefits created in rezoning the property and planning for future industrial development are substantial.

As well, rezoning the land will not result in the immediate replacement or removal of tree farm operations occurring on the property. Farming is an outright permitted use in the RIPD zone and will continue to occur, as the least in the immediate future, on the property or portions of it.

Also, a significant amount of productive farm land occupies the entire area surrounding the subject property to the west, south, and east. Exhibit 4. The rezoned land area accounts for but a small fraction of the overall amount of land zoned for resource use in the area, thereby minimizing the impact of the loss even more.

For these reasons, OAR 660-004-0020(2)(c) is satisfied.

Economic Consequences

A very detailed discussion of the comparative advantage and economic consequences of locating the use on the subject site versus elsewhere is provided in response to Comprehensive Plan Part X, Goal 9, and exception criteria. Those findings above, including those provided in response to OAR 660-004-0022(3), are incorporated by reference to avoid repetition and demonstrate compliance with OAR 660-004-0020(2)(c).

Social Consequences

As discussed in response to Comprehensive Plan Part X, Goal 9, and exception criteria above, changing the zone and planning for rural industrial development on the property will have positive social consequences that cannot be achieved through similar development anywhere else in the County. By providing jobs to County residents, there will be a trickle down – a ripple effect through the economy of gains and spending – thereby improving the standard of living of County residents. As well, by substantially increasing the tax base, there will be a direct impact on the ability of County to provide and fund social services and maintain, or even improve, the quality of life for its residents.

Additionally, as demonstrated below in response to ORS 197.732(2)(c)(D), the proposed uses will be compatible with adjacent uses. The uses anticipated for the site will not affect the resource or rural character of the area. The Comprehensive Plan encourages the location of Rural Industrial uses away from urban centers and denser populations – exactly as intended by the subject proposal.

To avoid repetition, applicant incorporates the findings above in response to Comprehensive Plan Part X, Goal 9, and exception criteria, including those provided in response to OAR 660-004-0022(3), which together, demonstrate compliance with OAR 660-004-0020(2)(c).

Energy Consequences

Approving the plan amendment and directing rural industrial uses to locate on the property will promote maximum energy use efficiency. The application will promote consolidation of industrial services in the area of Port Westward and conserve energy that would otherwise be expended developing these services elsewhere. The property is located immediately adjacent to PWIP which has existing facilities, services, and infrastructure to support future rural development. The expansion of the Port site would allow similar industrial uses to exist in close proximity to one another which in turn would promote efficient land use patterns and enhance the County's economy, particularly in the region of the Port. Planned development will increase the density of area and its uses and make the provision of all facilities and services more efficient and

cost effective. Given the substantial investment made in infrastructure and facilities, including docks, roads, rails, water, and transportation improvements, the cost of not amending the plan and rezoning the area, and creating an exception in another area more distant from the current area, would potential be greater in terms of energy loss and consumption. For these reasons, OAR 660-004-0020(2)(c) is satisfied.

ORS 197.732(2)(c)(D): The proposed uses are compatible with other adjacent uses or will be so rendered through measures designed to reduce adverse impacts

COMMENT: Additionally, LCDC by rule in OAR 660-004-0020(2)(d) further defined the subsection (D) standard to require an applicant to meet the following requirements:

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

The issue of compatibility is governed by ORS 197.732(2)(c)(D) and its implementing rule. The standard requires that proposed uses be compatible with other adjacent uses, surrounding resources, and production practices OR will be so rendered through measures designed to reduce adverse impacts. Thus, even if the proposed uses will be incompatible, a finding of compliance can be made by imposing measures that are designed to reduce impacts. The administrative rule further clarifies that compatibility does not mean there will be no impacts, but rather reflects the understanding that impacts will result and there should be mitigation to lessen those impacts.

The proposed Goal 3 exception is compatible with other adjacent uses. The property is immediately adjacent to Port Westward Industrial Park and is owned by the Port. The property is located near the Columbia River and the existing facilities and services in the Port as discussed above. The proposed exception would cluster major large scale industrial uses adjacent to one another, framed by the river and slough. Given the topography, only one main boundary line would frame the land remaining as resource land.

No significant adverse consequences to nearby users are anticipated. In analyzing those impacts, the County is benefited by a 25 plus year history of large scale industrial development adjacent to resource uses at this property. There is no evidence that those industrial uses have significantly impacted or altered adjacent farming and tree farming operations. The evidence is that tree farms and mint farms have operated during that time adjacent to and within the PWIP facilities, even on the buffers around

those facilities. Their existence supports the ability to sustain resource uses near rural industrial uses. Additionally, very few rural residences exist in the area. As well, those uses have benefited from infrastructure improvements provided in association with the development of Port Westward, including better roads.

The Comprehensive Plan directs that industrial development be located on rural lands when such development can be shown to support, utilize, or in some manner be dependent upon, the natural resources of the area. The proposed amendment confirms to this goal. Its purpose is to attract industry that will rely upon the natural resources located at the site. For example, the site has a deep water access which is a significant benefit for industries in transporting their goods. In addition, the proximity of the Columbia River will provide water for generating purposes, water service, and other purposes.

Development on the property will not require facilities and/or service improvements at public expense. First, facilities and services serving the site are already in place. Second, conditions of approval can ensure that new users mitigate for development impacts and that facilities are in place or otherwise provided in conjunction with development at the developer's expense. Nothing in the rezone/plan amendment will "require" improvements at the public's expense.

Opponents have expressed concern about the impacts that future rural industrial uses may cause to area mint and blueberry farming. Particularly, they expressed concern over dust, industrial pollution, and additional traffic in the area. The record, supported by history, suggests that industrial uses are compatible with area lands and farming practices or can be made compatible through measures designed to reduce impacts. Of note, most of the alleged impacts offered pertained particularly to coal.

Heavy rural industrial uses require large lots. The uses often occupy only a portion of the lot with the remaining property left in its natural condition or, in this case, in farm use. The developments also typically employ buffers around the use/disturbance area. The buffers are often maintained for resource production. Such is the current situation at Port Westward. It is well documented that buffers assist in the goal of making non-farm uses compatible with farming activities. Exhibit 4 – Applicant's June 3, 2013 Memo – Displacement of Farm Land and Compatibility. Additionally, resource uses also benefit from rural industrial development in that services are brought to an area that otherwise would not be – including rail service for product shipping, roads improved to county standards, reliable and sufficient electrical service, multiple energy sources, and advanced telecommunications technology. Those very improvements as well as additional improvements made in association with new development benefit the area and farms around Port Westward.

The farming practices that occur on area farms are standard agricultural

production techniques such as both hand and mechanical planting and harvesting; site preparation; applying composts, manure, and mulch; ground and aerial spraying of fertilizers, herbicides, insecticides, and pesticides; controlling weeds, diseases, insects, and other pests; and irrigation. Work is done by both hand and mechanical equipment. Mint is harvested in a similar manner to hay and distilled on site by larger growers. Mechanical equipment is moved between fields and over area roads when the fields are separated by roads or not adjacent. The crops are sorted, packed and shipped by trucks. With respect to the poplar farms, the crop also in managed with standard agricultural production techniques. They are planted, cultivated, fertilized and irrigated just like other crops. For harvesting, a mechanical approach is employed, much like the process for harvesting forests. Attached as Exhibits 1, 2, and 3 – Applicant's June 3, 2013 Memo – Displacement of Farm Land and Compatibility, are materials that detail the crop practices and activities associated with farm management.

The impacts that may result from industrial uses are dust generated from on site activities and traffic; releases into the air and water; water table management; and an interference with the movement of farm equipment from increased trains.

Impacts from rural industrial uses on resource lands are already contemplated by and generally found to be compatible by the County's Comprehensive Plan. The Plan directs that industrial development be located on rural lands when such development can be shown to support, utilize, or in some manner be dependent upon, the natural resources of the area, such as a deep water port. The Plan also requires rural industrial development to be located away from population centers, which in Columbia County places it on resource land. By directing rural industrial development to resource lands, the County implicitly recognizes that rural industrial uses are or otherwise can be made compatible through measures designed to reduce impacts. That mitigation requirement is also an element of the County code § 683, a rural industrial development standard.

A resource industrial use is use permitted under prescribed conditions. A use proposed will not be permitted until it is demonstrated that "the potential impact upon the area resulting from the proposed use has been addressed and any adverse impact will be able to be mitigated" after considering the physical characteristics of the site and existing land uses and services in the area. Code § 683.1.B. The code also states that a use will not be allowed until it can demonstrated that water services is available, sewage can be treated, access pursuant to county standards is available, and fire service can be provided. Code § 683.1.C.

Concerning the question of whether industrial uses are compatible with adjacent resource uses, history is our only non-biased judge. The first area mint farm was launch in the 1980's after the development of Port Westward. Heavy industrial activities at Port Westward have co-existed with area farming activities since World War II. Since then, family and commercial farming operations have continued in close proximity to intensive heavy industrial uses. They have done so in a compatible fashion because of

the buffers employed and the mitigation measures required by law. For instance, the PGE plant is regulated by both the Clean Water Act and the Clean Air Act in what it may emit from the site as a byproduct of its activities. Those laws and compliance with those laws ensure adverse impacts to air and water resources are mitigated. There is no evidence that existing industrial uses have significantly impacted or altered adjacent farming and tree farming operations.

Trains have always been a part of the infrastructure and movement of materials to and from Port Westward. Trains operating on rail lines will not obstruct the movement of farm equipment on area roadways, but for the potential of additional delays in railroad crossings caused by additional or longer trains. However, railroad crossing and delays are regulated by the federal government to ensure that the impacts of delays are minimized. Delay increases will be in minutes and additional minutes of delays do not warrant a finding of incompatibility.

The applicable standard states that compatibility may be reached through the imposition of measures. As such, conditions can be imposed that ensure measures are in place to reduce adverse impacts. Conditions can require that improvements and activities be located and designed to minimize adverse effects on surrounding lands and farming operations. Measures to accomplish this may include:

- 1) Development in the flood plain shall demonstrate compliance with National Flood Insurance Program (NFIP) requirements by elevating structures to levels that are required by NFIP and state building code. Future land use and building applications involving removal/fill must obtain required Oregon DSL and Army Corps permits. All pilings and related structures must be constructed according applicable regulations and of the size and type of material required to ensure their safe and stable operation and to mitigate impacts as required by law. Applications involving land in the flood zone shall be submitted with site-specific hydrological, engineering, or other qualified report as needed to demonstrate that the development can safely proceed as well as considering the risk the proposed use may pose to other properties.

- 2) The habitat of threatened or endangered species shall be evaluated and protected as required by law.

- 3) Alteration of important natural features, including the placement of structures shall maintain the overall values of the feature.

- 4) All development adjacent to land zoned PA-80 shall include buffers that are established and maintained between the industrial uses and adjacent land uses, including natural vegetation and where appropriate, fences, landscaped areas and other similar types of buffers.

- 5) When possible the area of the site that is not developed for industrial uses or support shall be left in a natural condition or in resource production.

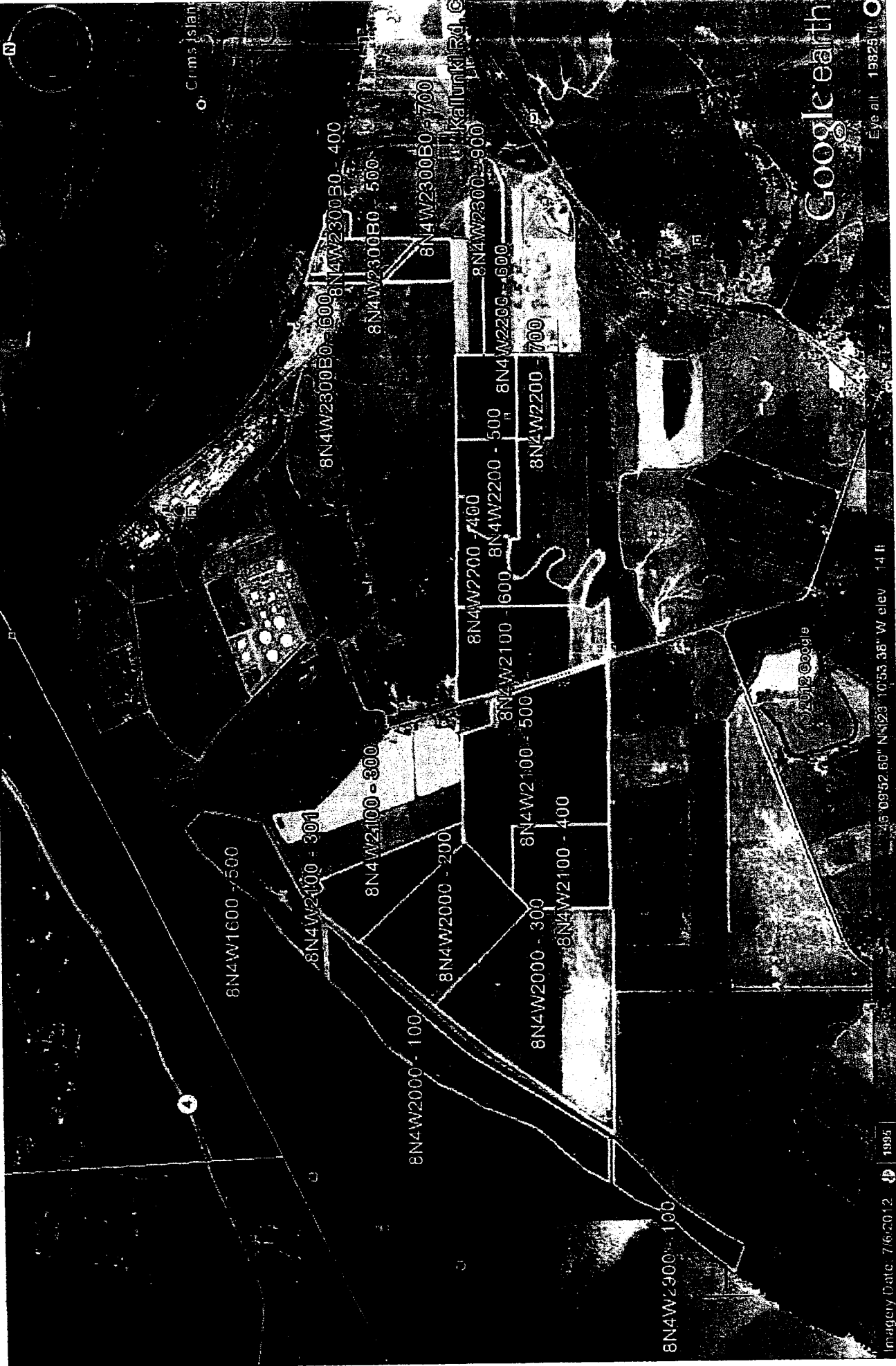
- 6) Controls, including suppression and requiring hard surfaces, shall be employed to mitigate dust caused by industrial uses that may emanate from a site and traffic to the site.

7) Site runoff shall be controlled and any harmful sediment shall be contained or otherwise treated before being released to ensure potential impacts to irrigation equipment and area water quality (both ground and surface) are controlled.

8) Industrial use impact on the water table shall be monitored to ensure that the water table can be managed as it historically is done.

9) Railroad crossing shall be managed consistently with federal law regulating crossings to reduce crossing delays.

10) Development applications shall include an agricultural impact assessment report that shall analyze adjacent agricultural uses and practices and demonstrate that impacts from the proposed use are mitigated. The report shall include a description of the type and nature of agricultural uses and farming practices, if any, which presently occur on adjacent lands zoned EFU, type of agricultural equipment customarily used on the property, and wind pattern information. The report shall also include a mitigation plan.



Crims Island

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Google earth

Eye alt 19825 ft

15 09 52.60' N 123 10 53.38' W elev 14 ft

Imagery Date: 7/6/2012 1995

NORTH COUNTY PRIMARY AG(PA-80) PROPERTIES

Columbia County Community Development

- County
- PLSS
- Taxlot12
- UQB
- Zoning
- Community Service - Re...
- Community Service - Ut...
- Forest Agriculture
- Primary Agriculture
- Primary Forest
- Resource Industrial-Pl...
- Rural Residential-5 ac...
- Surface Mining
- Airport Industrial
- CITY
- Community Service-Indu...
- Existing Commercial
- Single Family Resident...
- Rural Community
- Marine Commercial
- General Commercial
- Neighborhood Commercial...
- Highway Commercial
- Heavy Industrial
- Light Industrial
- Multiple Family Reside...
- Mobile Home Residential...
- WATER
- Rural Residential-2 ac...



1 in. = 8150 ft.

8/14/2011

8/14/2011

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