

Happy Valley Urban Renewal Plan

Adopted by the City of Happy Valley

DATE

Ordinance No.

If Amendments are made to the Plan, the Resolution or Ordinance Number and date will be listed here. The amendment will be incorporated into the Plan and noted through a footnote.



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I. DEFINITIONS

“Agency” means the Happy Valley Urban Renewal Agency. This Agency is responsible for administration of the urban renewal plan.

“Blight” is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting the urban renewal plan.

“Board of Commissioners” means the Clackamas County Board of Commissioners.

“City” means the City of Happy Valley, Oregon.

“City Council” or “Council” means the Happy Valley City Council.

“Comprehensive Plan” means the City of Happy Valley Comprehensive Plan and its implementing ordinances, policies, and standards.

“County” means Clackamas County, Oregon.

“Fiscal year” means the year commencing on July 1 and closing on June 30.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within an urban renewal area at the time of adoption. The county assessor certifies the assessed value after the adoption of an urban renewal plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness.

“ORS” means the Oregon revised statutes and specifically Chapter 457, which relates to urban renewal.

“Plan” means the Happy Valley Urban Renewal Plan.

“Plan Area” means the properties and rights-of-way located with the Happy Valley Urban Renewal Boundary.

“Planning Commission” means the Happy Valley Planning Commission.

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Tax increment financing (TIF)” means the funds that are associated with the division of taxes accomplished through the adoption of an urban renewal plan.

“Tax increment revenues” means the funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the area.

“Urban renewal area” means a blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.160.

“Urban renewal plan” or “Plan” means a plan, as it exists or is changed or modified from time to time, for one or more urban renewal areas, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135 and 457.220.

“Urban renewal project” or “Project” means any work or undertaking carried out under ORS 457.170 in an urban renewal area.

“Urban renewal report” or “Report” means the official report that accompanies the urban renewal plan pursuant to ORS 457.085(3).

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II. INTRODUCTION

The Happy Valley Urban Renewal Plan (“Plan”) was developed for the Happy Valley City Council (“City Council”) with cooperative input from a Work Group that was formed for this purpose. The Plan also includes input from the community received at a public open house and public meetings and hearings before the Planning Commission, and the City Council. Pursuant to the Happy Valley City Charter, this Plan will go into effect when it has been adopted by City Council.

A. *Plan Overview*

Background:

The City of Happy Valley (“City”) has experienced significant residential and employment growth over the course of the last several years. With undeveloped land inside the city limits, there is still strong demand for future growth which could put a strain on the City’s infrastructure. To meet the demands of growth, improvements to infrastructure are necessary. Identified future infrastructure investments for the City, including parks, transportation and public safety improvements, were estimated in 2018 to have a total price tag of \$138.8 million.¹

The community desires a safe and efficient transportation system, more parks to keep pace with residential development, and a future “downtown” center. The transportation needs have long been identified and designated projects exist formally in the City’s Transportation System Plan (“TSP”)². The need for future parks is identified in the City’s Parks, Recreation & Open Space Plan (“Parks Master Plan”) completed in 2017.³ Parks are an important amenity not only for community livability, but for attracting high quality development for the City. The planning process for the Pleasant Valley/North Carver Comprehensive Plan (“PV/NC Comp Plan”)⁴ has identified the desire for a traditional downtown to build a sense of place in Happy Valley.

The City has a low tax rate and infrastructure improvements must be paid by sources other than the general fund. In 2018, the City contracted with Tiberius Solutions, LLC to conduct a Happy Valley Systems Development Charges (“SDCs”) and Tax Increment Revenue (“TIF”) Study. The study indicated that on average over the course of the next 20 years, an estimated 250 new housing units per year will be constructed in Happy Valley. Over this same time period, it is estimated that 177 new employees will be working in Happy Valley each year. From 2019 to 2040, this development will amount to 6,250 new housing units and 4,430 new jobs.⁵ The summary implications developed by Tiberius Solutions stated:

¹ City of Happy Valley data provided in 2018 to Tiberius Solutions, LLC in the SDC and TIF feasibility study.

² City of Happy Valley Transportation Systems Plan, DKS Associates, September 2014.

³ City of Happy Valley Parks, Recreation & Open Space Plan, Conservation Technix, JLA Public Involvement, FCS Group, December 2017, p 87, 91, 92,93

⁴ The Pleasant Valley North Carver Comprehensive Plan process is ongoing. Five advisory committee meetings have occurred since October 2018, with approximately four more planned in 2019.

⁵ Summary Memorandum, Tiberius Solutions, LLC, Happy Valley SDC and TIF Revenue Projections November 2018.

SDCs have the potential to generate significant revenue to fund future infrastructure investments, but these revenues also have significant statutory restrictions. Therefore, these revenues are insufficient to cover the full range of infrastructure investments needed.

Urban renewal, through the use of TIF, has even more revenue potential than SDCs.

Long-term funding capacity may not be sufficient to address short-term needs. Despite the substantial projections of long-term revenue, the City may still have challenges funding short-term infrastructure investments.

As a result of this study, the City Council requested staff to prepare an urban renewal plan to help facilitate the construction of the infrastructure investments that are required to accommodate future growth while preserving the quality of life in Happy Valley.

The City convened a Work Group comprised of representatives from Clackamas Fire District No. 1 (“CFD#1”), Clackamas County, North Clackamas School District No. 12 (“NCSD#12”), Happy Valley Business Alliance, City Planning Commission, City Council, business owners, developers, and residents to review the proposed boundary, projects and financial projections for the urban renewal area.

An Open House was held on March 20, 2019 to review urban renewal as a tool, the projects and boundary. Other opportunities for public input were at the Agency meeting, Planning Commission meeting and hearing conducted by the City Council. In addition, several newsletter articles, social media posts, and website updates were published providing details about the draft plan and contact information for residents to offer feedback.

The Happy Valley Urban Renewal Plan Area (“Plan Area”), shown in Figure 1, consists of approximately 1,631.4 total acres: 1,563.97 acres of land in tax lots and 67.43 acres of public rights-of-way. It is anticipated that the Plan will take 25 years of tax increment collections to implement. The maximum amount of indebtedness (amount of TIF for projects and programs) that may be issued for the Plan is \$131,000,000.

Goals and objectives for this Plan are intended to guide TIF investment in the Plan Area over the life of the Plan. The project category descriptions and list of projects are intended to aid future decision makers when considering how best to expend funds generated by TIF. The Plan is to be administered by the City’s Urban Renewal Agency (“Agency”). Substantial amendments to the Plan must be approved by City Council as outlined in Section VII. All amendments to the Plan are to be listed numerically on the front page of the Plan and then incorporated into the Plan document and noted by footnote with an amendment number and adoption date.

The relationship between the sections of the Plan and the ORS 457.085 requirements is shown in Table 1. The specific reference in the table below is the section of this Plan that primarily addresses the statutory reference. There may be other sections of the Plan that also address the statute.

Table 1 - Statutory References

Statutory Requirement	Plan Section
ORS 457.085(2)(a)	V, VI
ORS 457.085(2)(b)	V, VI
ORS 457.085(2)(c)	XII
ORS 457.085(2)(d)	XI
ORS 457.085(2)(e)	XI
ORS 457.085(2)(f)	IX
ORS 457.085(2)(g)	VIII
ORS 457.085(2)(h)	III
ORS 457.085(2)(i)	VII
ORS 457.085(2)(j)	Not applicable

B. Urban Renewal Overview

Urban renewal allows for the use of tax increment financing, a financing source that is unique to urban renewal, to fund its projects. Tax increment revenues, the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established, are used to repay borrowed funds. The borrowed funds are used to pay for urban renewal projects and cannot exceed the maximum indebtedness amount set by the urban renewal plan.

The purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped, called blighted areas in ORS 457. These areas can have old or deteriorated buildings, public spaces that need improvements, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. In general, urban renewal projects can include construction or improvement of streets, utilities, and other public facilities; assistance for rehabilitation or redevelopment of property; acquisition and re-sale of property (site assembly) from willing sellers; and improvements to public spaces. The Plan Area meets the definition of blight due to its infrastructure deficiencies and underdeveloped properties. These blighted conditions are specifically cited in the ordinance adopting the Plan and described in detail in the accompanying Urban Renewal Report (“Report”).

The Report accompanying the Plan contains the information required by ORS 457.085, including:

- A description of the physical, social, and economic conditions in the area;
- Expected impact of the Plan, including fiscal impact in light of increased services;
- Reasons for selection of the area;
- The relationship between each project to be undertaken and the existing conditions;
- The estimated total cost of each project and the source of funds to pay such costs;
- The estimated completion date of each project;
- The estimated amount of funds required in the area and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the area; and,
- A relocation report.

III. **MAXIMUM INDEBTEDNESS**

Maximum indebtedness is the total amount of money that can be spent on projects, programs and administration throughout the life of the Plan. The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is \$131,000,000 (One Hundred Thirty-One Million Dollars). This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness or interest earned on bond proceeds.

IV. PLAN GOALS

The goals of the Plan represent its basic intents and purposes. Accompanying each goal are objectives, which generally describe how the Agency intends to achieve each goal. The urban renewal projects identified in Sections V and VI of the Plan are the specific means of meeting the objectives. The goals and objectives will be pursued as economically as is feasible and at the discretion of the Agency. The goals and objectives are not listed in any order of importance or priority.

A. Economic Development

Objectives:

1. Provide basic infrastructure to allow high quality development of the Plan Area to occur providing residential living and employment opportunities for the citizens of Happy Valley and increase the assessed value of the Plan Area.
 - a) Fund multi-modal transportation projects to improve the overall transportation system and facilitate new development.
2. Facilitate the development of a downtown for the City to encourage economic activity and community building within Happy Valley.
 - a) Acquire properties to facilitate development of a downtown.
 - b) Work with developers for development of a downtown, putting the city acquired properties back on the property tax roll.
3. Provide public amenities to support high quality development in the City .
 - a) Acquire properties to facilitate development of future parks.

B. Transportation

Objectives:

1. Provide basic transportation infrastructure to address capacity, congestion and safety issues to allow for future development and provide a multi-modal transportation system.
 - a) Provide multi-modal transportation improvements to existing transportation facilities.
 - b) Provide multi-modal transportation improvements to facilitate development on parcels.

C. Parks

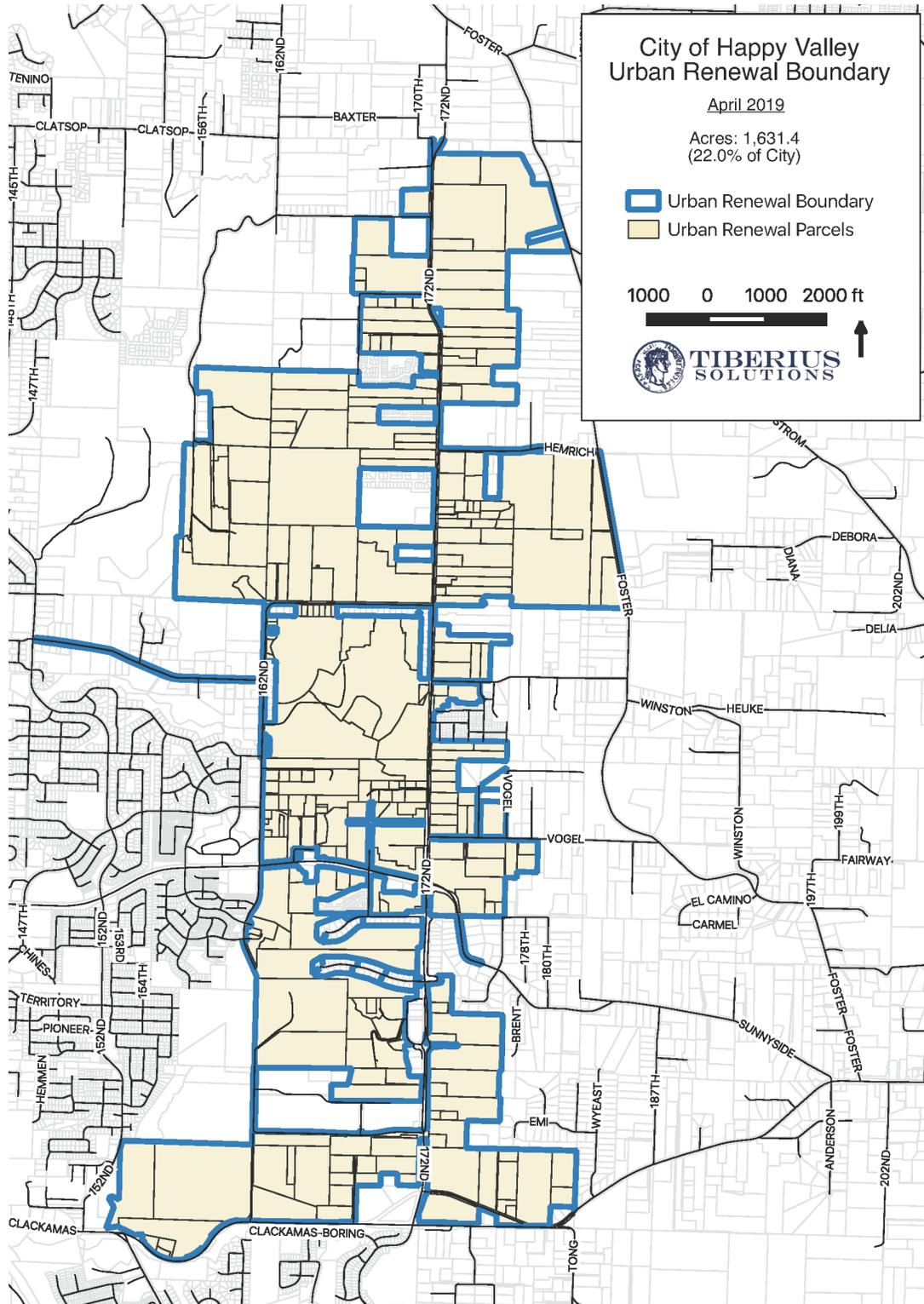
Objectives:

Develop new parks in the Plan Area in accordance with the Parks Master Plan.

- a) Acquire properties to facilitate development of future parks.

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Figure 1 – Happy Valley Urban Renewal Plan Area Boundary



Source: Tiberius Solutions, LLC

V. URBAN RENEWAL PROJECT CATEGORIES

The projects within the Plan Area fall into the following categories:

- A. *Transportation*
- B. *Acquisition*
- C. *Administration*

VI. URBAN RENEWAL PROJECTS

Urban renewal projects authorized by the Plan are described below.

A. *Transportation*

172nd Avenue – Widen 172nd Avenue to a 5-lane facility between Sunnyside Road and 190th Drive connector and a 3-lane facility between the 190th Drive connector and the county line. Construct to major arterial standards as specified in the City Transportation System Plan (“TSP”) to 190th Drive and to minor arterial standards north of 190th Drive .

Sunnyside Road East Extension – Extend Sunnyside Road to a 5-lane major arterial facility and 2-lane roundabout between 172nd Avenue and 177nd Avenue. Construct to major arterial standards as specified in the TSP.

162nd Avenue South – Construct a 3-lane facility, bridge and traffic signals between 157th Avenue (in the Taralon development) and OR Highway 212. Construct to collector standards as specified in the TSP.

Rock Creek Employment Center Collectors – Construct 3-lane collector facilities south of Rock Creek Boulevard and north of Highway 212 and an improved intersection at 172nd Avenue and OR Highway 212. Construct to collector standards as specified in the TSP.

Rock Creek Boulevard East – Construct a 5-lane major arterial facility from 162nd Avenue to 172nd Avenue. Construct to major arterial standards as specified in the TSP.

Rock Creek Boulevard East Extension – Construct a 3-lane collector facility between 172nd Avenue and 177nd Avenue. Construct to collector standards as specified in the TSP.

Misty Drive/Vogel Road East Extension – Construct a 3-lane collector facility and traffic signal between 162nd Avenue and 177th Avenue. Construct to collector standards as specified in the TSP.

Scouters Mountain Road – Construct a 2 to 3-lane collector facility between 147th Avenue and 177th Avenue. Construct to collector standards as specified in the TSP.

B. Acquisition

Downtown – Acquire property for a future downtown in Happy Valley. Work with developers for re-sale of the property and development of the “downtown”.

Park – Acquire property for a future community park in accordance with the Happy Valley Parks, Recreation & Open Space Plan. This project will only be commenced upon either the resolution of the 2019 legal issues concerning the provider of parks services in Happy Valley or at the approval of the North Clackamas Park and Recreation District.

C. Administration

Provide administration of the Happy Valley Urban Renewal Plan.

A chart showing the projects and their purposes and benefits is shown below in Table 2. A map showing the project locations is shown in Figure 2.

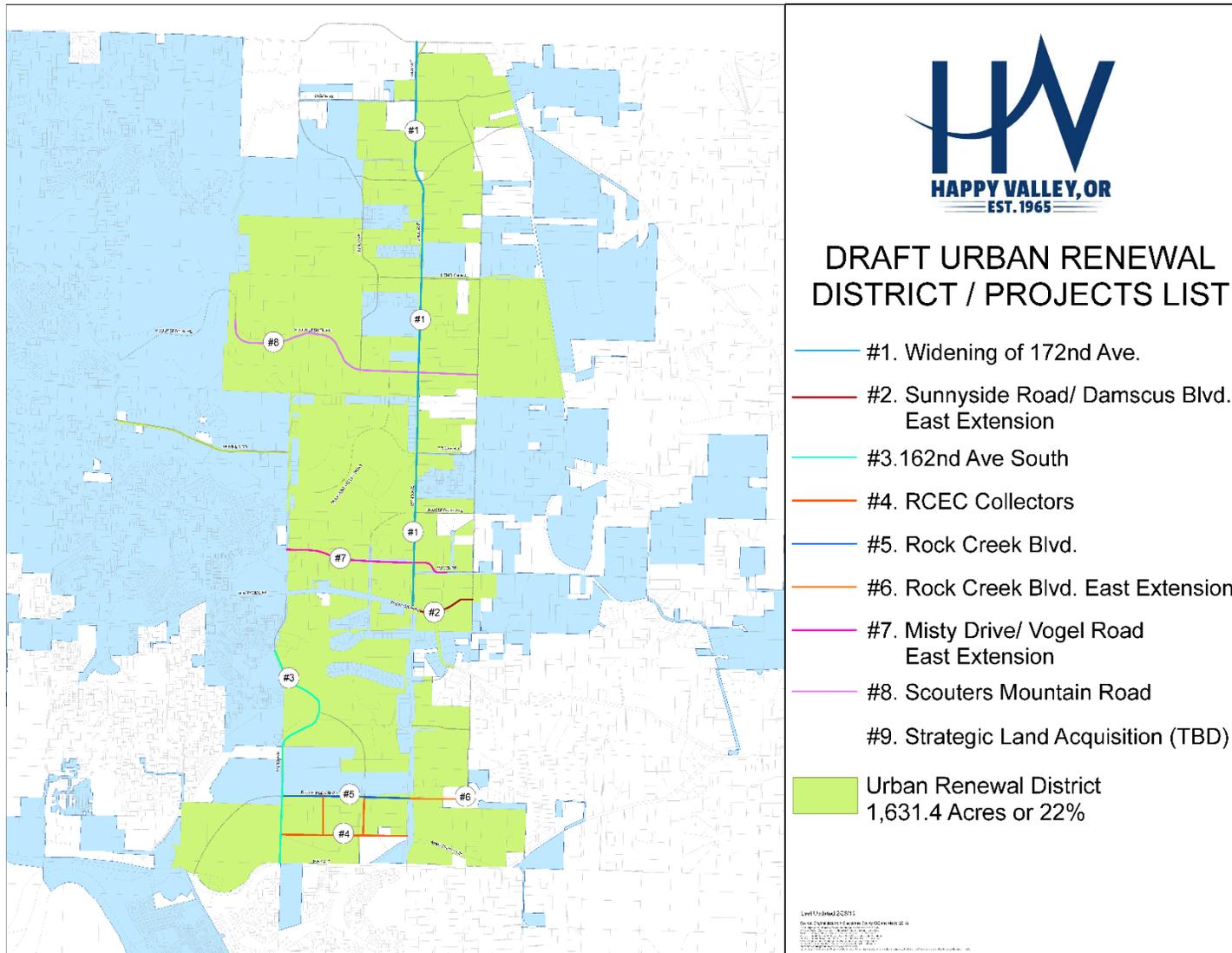
Table 2 - Projects and their Purpose

Project Name	Purposes and Benefits
Widen 172nd Avenue	Economic Development / Assessed Value / Safety / Traffic Management
Sunnyside Rd. East Extension	Economic Development / Assessed Value / Safety / Traffic Management
162 nd Ave. “South”	Economic Development / Assessed Value / Safety
Rock Creek Employment Center Collectors	Economic Development / Assessed Value
Rock Creek Blvd. East	Economic Development / Assessed Value / Safety
Rock Creek Blvd. East Extension	Economic Development / Assessed Value
Misty Drive/Vogel Road East Extension	Assessed Value / Safety / Traffic Management
Scouters Mtn. Rd.	Assessed Value / Traffic Management
Strategic Land Acquisition	Economic Development / Assessed Value
Administration of Urban Renewal Plan	Significant Staff and Consultant Work will be necessary

Source: City of Happy Valley

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Figure 2 – Happy Valley Urban Renewal Plan Projects



Source: City of Happy Valley

VII. AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. *Substantial Amendments*

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan, under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the Agency, the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Happy Valley, as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115.

Substantial Amendments are amendments that:⁶

1. Add land to the urban renewal area, except for an addition of land that totals not more than 1% of the existing area of the urban renewal area; or
2. Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

B. *Minor Amendments*

Minor Amendments are amendments that are not Substantial Amendments as defined in this Plan and in ORS 457. Minor Amendments require approval by the Agency by resolution.

C. *Amendments to the Happy Valley Comprehensive Plan and/or Happy Valley Zoning Code.*

Amendments to the Happy Valley Comprehensive Plan and/or Land Development Code that affect the Plan and/or the Plan Area shall be incorporated automatically within the Plan without any separate action required by the Agency or City Council. When a substantial amendment is completed, the Relationship to Local Objectives section will be updated.

⁶ Unless otherwise permitted by state law, no land equal to more than 20 percent of the total land area of the original Plan shall be added to the urban renewal area by amendments, and the aggregate amount of all amendments increasing the maximum indebtedness may not exceed 20 percent of the Plan's initial maximum indebtedness, as adjusted, as provided by law.

VIII. PROPERTY ACQUISITION AND DISPOSITION

The Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses, or other rights to use. If property is acquired it will be identified in the Plan through a Minor Amendment, as described in Section VII. Identification of property to be acquired and its anticipated disposition is required by ORS 457.085(g).

A. Property Acquisition for Public Improvements

The Agency may acquire any property within the Plan Area for the public improvement projects undertaken pursuant to the Plan by all legal means, including use of eminent domain. Good faith negotiations for such acquisitions must occur prior to institution of eminent domain procedures.

B. Property Acquisition from Willing Sellers

The Plan authorizes Agency acquisition of any interest in property within the Plan Area that the Agency finds is necessary for private redevelopment, but only in those cases where the property owner wishes to convey such interest to the Agency. The Plan does not authorize the Agency to use the power of eminent domain to acquire property from a private party to transfer property to another private party for private redevelopment. Property acquisition from willing sellers may be required to support development of projects within the Plan Area.

C. Land Disposition

The Agency will dispose of property acquired for a public improvement project by conveyance to the appropriate public agency responsible for the construction and/or maintenance of the public improvement. The Agency may retain such property during the construction of the public improvement.

The Agency may dispose of property acquired under Subsection B of this Section VI by conveying any interest in property acquired. Property shall be conveyed at its fair reuse value. Fair reuse value is the value, whether expressed in terms of rental or capital price, at which the urban renewal agency, in its discretion, determines such land should be made available in order that it may be developed, redeveloped, cleared, conserved, or rehabilitated for the purposes specified in the Plan. Because fair reuse value reflects limitations on the use of the property to those purposes specified in the Plan, the value may be lower than the property's fair market value.

Where land is sold or leased, the purchaser or lessee must agree to use the land for the purposes designated in the Plan and to begin and complete the building of its improvements within a period of time that the Agency determines is reasonable.

IX. RELOCATION METHODS

When the Agency acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance, as required under applicable state law. Prior to such acquisition, the Agency shall adopt rules and regulations, as necessary, for the administration of relocation assistance. No specific acquisitions that would result in relocation benefits have been identified; however, there are plans to acquire land for infrastructure which may trigger relocation benefits in the future in the Plan Area.

X. TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to make payments on debt, usually in the form of bank loans or revenue bonds. The proceeds of the bonds are used to finance the urban renewal projects authorized in the Plan. Bonds may be either long-term or short-term.

Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. (Under current law, the property taxes for general obligation (GO) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.)

A. General Description of the Proposed Financing Methods

The Plan will be financed using a combination of revenue sources. These include:

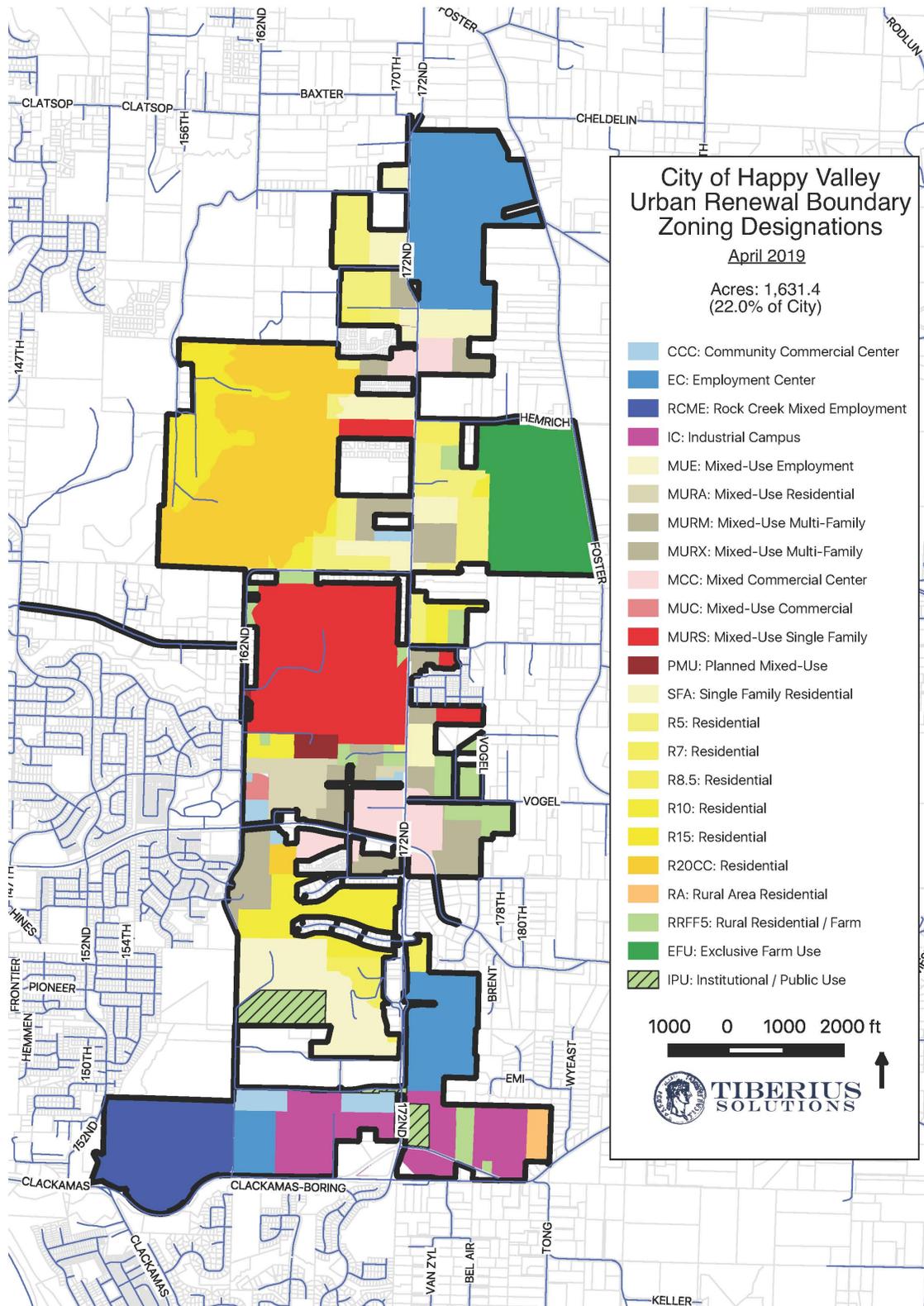
- Tax increment revenues;
- Advances, loans, grants, and any other form of financial assistance from federal, state, or local governments, or other public bodies;
- Loans, grants, dedications, or other contributions from private developers and property owners, including, but not limited to, assessment districts; and
- Any other public or private source.

Revenues obtained by the Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in (1) planning or undertaking project activities, or (2) otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

B. Tax Increment Financing

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Agency, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Plan Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

Figure 3 – Zoning and Comprehensive Plan Designations



Source: Tiberius Solutions, LLC

XI. RELATIONSHIP TO LOCAL OBJECTIVES

ORS 457.085 requires that the Plan conform to local objectives. This section provides that analysis. Relevant local planning and development objectives are contained within the City's Comprehensive Plan, which includes by adoption the TSP, Parks Master Plan and 172nd Ave./190th Drive Corridor Management Plan ("172nd /190th Plan"). Further, it addresses Title 16 (Land Development Code) of the Happy Valley Municipal Code ("HVMC"). The following section describes the purpose and intent of these plans, the main applicable goals and policies within each plan, and an explanation of how the Plan relates to the applicable goals and policies.

The numbering of the goals and policies within this section reflects the numbering that occurs in the original document. *Italicized text* is text that has been taken directly from an original document.

Comprehensive Plan designations for all land in the Plan Area are shown in Figure 3. All proposed land uses conform to Figure 3. Maximum densities and building requirements for all land in the Plan Area are contained in the Land Development Code.

A. *Happy Valley Comprehensive Plan*

This analysis covers the most relevant sections of the City's Comprehensive Plan ("Comprehensive Plan") but may not cover every section of the Comprehensive Plan that relates to the Plan.

As the Comprehensive Plan is updated in the future, this document will automatically incorporate those updates without the Plan having to be formally amended. If a substantial amendment is completed in the future, this section of the Plan should be updated at that point.

The numbering of the policies within this section reflects the numbering that occurs in the original document.

Citizen Involvement

Plan Details

CI -1. To develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process.

Finding

The Plan conforms to the Citizen Involvement Goal of the Comprehensive Plan as citizen involvement was sought on the Plan development. The City convened a Work Group comprised of representatives from CFD#1 , Clackamas County NCSD#12, Happy Valley Business Alliance, City Planning Commission, City Council, business owners, and developers to review the boundary, projects and financial projections for the urban renewal area.

An Open House was held on March 20, 2019 to review urban renewal as a tool, the projects and boundary. Other opportunities for public input were at the Agency meeting, Planning Commission meeting and hearing conducted by the City Council. In addition, several newsletter articles, social media posts, and website updates were published providing details about the draft plan and contact information for residents to offer feedback.

Land Use

Plan Details

LU-1

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

LU-1.1: The City of Happy Valley shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels that are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density.

LU-1.4: To ensure orderly development in the City of Happy Valley.

Rock Creek Land Use Policies

LU-3.1: Due to rapid growth and staffing constraints, the City of Happy Valley has found it necessary to adopt a number of separate, geographically specific, "Comprehensive Plans" in the overall land use planning for the City. These include the Rock Creek Comprehensive Plan, the Aldridge Road Comprehensive Plan; the Rock Creek Mixed Employment Comprehensive Plan; the East Happy Valley Comprehensive Plan; and, the Happy Valley Town Center Plan. The following policy sections and subsections detail specific policies associated with these "mini Comprehensive Plans" that have been added to the City's greater Comprehensive Plan policies:

LU-3.2: Generally, the Rock Creek Comprehensive Plan and Aldridge Road Comprehensive Plan will determine land uses and guide the provision of Level 1 facilities and services to land annexed to the City of Happy Valley that is located roughly north of Sunnyside Road, east of 137th Drive and west of 162nd Avenue as follows:

LU-3.3: In the Rock Creek Comprehensive Plan Area, commercial and office needs will be met through annexation of the existing Sunnyside Village Center, and the planned Mixed Use Employment, Mixed Use Commercial and Mixed Use Residential designations.

LU-3.4: A portion of the City of Happy Valley's long-term Multiple Family and Small-Lot Single Family Residential needs will be met through annexation of the planned Mixed Use Residential and Village Residential designations in the Rock Creek Comprehensive Plan Area.

LU-4.2: East Happy Valley Community

East Happy Valley will be a well-designed community with core mixed-use areas, livable

neighborhoods and a range of job opportunities all integrated with the transportation system, natural environment, open space network and public facilities. Community elements will include:

- Neighborhoods as the basic "building blocks" of the community;*
- Mixed-use centers that encourage a sense of community;*
- A diverse range of job opportunities;*
- A mix of uses and transit supportive densities along transit streets;*
- A well-connected network of transportation, land uses and natural resource systems to support public transit, walking and bicycling;*
- An integrated system of open space, parks and natural areas throughout the community, using them as an organizing principle for land uses; and*
- Pedestrian-friendly public spaces that accommodate outdoor activity and socialization within both residential and commercial districts.*

LU-4.3: Urban Design

East Happy Valley will reflect the state of the art of urban design principles and practice, built from centuries of experience, and applied to a new 21st century community.

Implementation will include:

- An overall urban form that is organized into a logical pattern of town center(s), neighborhood centers, corridors, neighborhoods and industrial and employment districts;*
- Well designed streets that serve as part of the public realm for people, as well as transportation corridors for vehicles;*
- The creation of excellent civic buildings and gathering places;*

LU-5.1: The purpose of the Happy Valley Town Center Plan (the "Town Center") is to establish a town center for Happy Valley that provides pedestrian-friendly and transit-supportive development as well as a mix of uses that serve all of the City of Happy Valley.

LU-6.1: The City of Happy Valley shall permit development on vacant buildable lands at its base density levels or less, or at density levels which exceed base density levels as permitted by Title 16 of the City's Municipal Code. Level 1 facilities and services shall be defined as those which are absolutely critical to site development proposals, and are as follows:

- Sanitary sewer;*
- Water supply;*
- Storm drainage;*
- Fire protection; and*
- Streets and roads.*

LU-6.4: The funding of improvements, extension of construction Level 1 facilities and services within the incorporated limits of the City of Happy Valley shall be the responsibility of those whose land use activities caused such improvement, extension or construction to become necessary. Funding sources may include but are not limited to creation of a local improvement district (LID); outside funding or grants in aid; direct source payment with or without agreement for future reimbursement by

other property owners who may utilize the facility or service; other sources as may be identified.

Finding:

The Plan conforms to the Land Use Goal of the Comprehensive Plan as infrastructure improvements will allow for the envisioned development of the Plan Area. Investment in infrastructure will also ensure the orderly development of Happy Valley and provide opportunity for the development of new housing units, employment opportunities and open spaces. The acquisition project allows for the development of a “downtown” and for land for a future park in the Plan Area.

Natural Environment

Finding:

This Goal does not apply to the Plan Area.

Parks, Recreation, and Open Spaces (see also separate section on the City’s Parks Master Plan)

Plan Details

PR-1

To satisfy the recreational needs of the citizens of the state and visitors.

PR-1.1: To satisfy the recreational needs of the citizens of the state and visitors, and to provide additional park and outdoor recreational facilities in order to meet City of Happy Valley residents’ recreational needs.

PR-1.2: To enhance and encourage the use of the area’s recreational facilities and opportunities.

Finding:

The Plan conforms to the Parks, Recreation and Open Spaces Goal of the Comprehensive Plan as the acquisition of property will provide the opportunity to secure future park land for the community.

Economic Development

Plan Details

ED-1

To diversify and improve the economy of the state.

ED-1.1: In order to expand the local economy to its fullest potential, the City of Happy Valley will work closely with local, regional, and state economic development entities to create a positive environment that supports expansion of existing businesses and attracts new living wage employers. The City will accomplish this through strategic investments in economic development marketing and infrastructure and based on the pursuit of the following policies:

ED -1.1C: Support local, Clackamas County, regional, state, and federal land use, environmental, and transportation projects and initiatives that may impact or influence business development in the City of Happy Valley positively and maintain and improve the working relationship with secondary education establishments, and local WorkSource training networks.

ED -1.1D: Work with Clackamas County and local residents and businesses to solidify a vision and preliminary design plan for a new Rock Creek Employment Center and Happy Valley Town Center and work with Clackamas County, ODOT, and potential site tenants to obtain full funding commitments for on- and off-site public infrastructure improvements.

ED -1.2: To encourage compatible residential, commercial and light industrial development in both the City of Happy Valley and nearby Clackamas County that will provide jobs. The City supports the development of commercial and employment uses in the Highway 212/224 Corridor, Sunnyside Road Corridor, and the Rock Creek Employment Center and in other areas, subject to design standards.

ED -1.2C: The City of Happy Valley shall ensure that all commercial and office centers are accessible by transit, bicyclists, and pedestrians, generally as shown within the City's current TSP.

East Happy Valley Economic Development Policies

ED -1.5: East Happy Valley Employment. East Happy Valley will include a diverse range and adequate amount of employment opportunities. Employment lands will provide:

- a) Reasonable amounts of industrial and employment areas to address the employment needs of those living in the area, as well as to contribute to sub-regional needs.*
- b) Employment uses accessible by a full range of transportation modes (i.e., automobile, freight, transit, shared ride, pedestrian, and bicycle).*

Finding:

The Plan conforms to the Economic Development Goal of the Comprehensive Plan as the transportation infrastructure projects will serve both existing businesses and also future economic development in the Plan Area. The acquisition projects for a “downtown” will spur additional development and the acquisition project for a future park will provide the amenities desired by developers when choosing locations to proceed with new development.

Housing

Plan Details

H-1

To provide for the housing needs of the citizens of the state.

H-1.1: To increase the supply of housing to allow for population growth and to provide for the housing needs of the citizens of the City of Happy Valley.

H-1.2: To develop housing in areas that reinforce and facilitate orderly and compatible community development.

H-1.3: To provide a variety of lot sizes, a diversity of housing types (including single family attached/townhouses, duplexes, senior housing, and multi-family) and a range of prices to attract a variety of household sizes and incomes to the City of Happy Valley.

H-2.1: East Happy Valley will provide housing choices for people of all income levels and life stages. Housing will include:

- a) A full range of integrated housing types, affordability, and tenancy preferences across the neighborhoods that will fulfill state and regional housing requirements and allow people of all ages and incomes to live in East Happy Valley.*
- b) A range of housing types that allows community members to continue to live locally throughout all of life's stages (i.e. entry level worker, student, young professional, retired, and elderly).*

Finding:

The Plan conforms to the Housing Goal of the Comprehensive Plan as the infrastructure improvements will provide safe, efficient and multi-modal transportation options in the Plan Area to serve new housing units. The City has affordable housing policies in Chapter 16.44.060 of the Land Development Code that provides incentives for the development of affordable housing. The projects in the Plan can provide the infrastructure to help facilitate that development. Additionally, the development of any new housing helps to relieve pressure on all income levels of housing as new housing units help to increase the overall supply of housing.

The development of a “downtown” will provide a new sense of place for residents. The future development of a park as a result of acquisition of land for the park will also provide amenities to support residential development.

Public Facilities and Services

Plan Details

PF-1

To plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for the planned growth and ultimately for full urban development of the City of Happy Valley.

PF-1.1: To complete a Public Facilities Plan as required by OAR 660, Division 11 and

provide public facilities in a timely, orderly, and efficient manner to the City of Happy Valley.

PF-1.2: When local or other sources of public funding are available for the installation and/or improvement of facilities and services, existing areas of the City of Happy Valley which are experiencing on-going problems will receive priority funding and scheduling for necessary work.

PF-1.4: To require new developments to provide Level 1 public facilities and services which are consistent with the Growth Management Mechanisms section of this Comprehensive Plan and are required by City ordinances.

PF-2.1: East Happy Valley Public Facilities

Infrastructure in East Happy Valley will provide adequate and coordinated public facilities and services, including sewer, water, storm drainage, police, fire, parks and schools. The City of Happy Valley supports:

b) Public park, recreation, and open space facilities.

Finding:

The Plan conforms to the Public Facilities and Services Goal of the Comprehensive Plan as the transportation infrastructure projects will help facilitate orderly and efficient development in the Plan Area. The acquisition project for a public park supports the East Happy Valley Public Facilities goal.

Transportation

Plan Details

T-1

To provide and encourage a safe, convenient, and economical transportation system for the planned growth and ultimately for full urban development of the City of Happy Valley.

T-1.2: To develop good transportation routes (vehicular, pedestrian, bicycle, etc.) between residential areas (and major activity centers both inside and outside the City) with street interconnectivity and neighborhood livability issues being the paramount considerations.

T-1.4A: Existing streets which are upgraded and new streets which are constructed in response to new development in the City of Happy Valley should be planned and designed to limit noise impacts; spread anticipated traffic volumes throughout available routes; maintain, preserve, or improve aesthetics; and provide maximum safety potential.

T-1.4C: Collector Facilities should be designed to keep traffic under 25 miles-per-hour and minimize traffic impact.

T-1.8: To encourage the development of bike paths and pedestrian walkways throughout the City of Happy Valley in accordance with OARs and the implementation

of the County bikeway route through the City.

T-2.1: East Happy Valley will have an effective transportation system that provides a range of travel options. The transportation system will include:

- a) A coordinated land use and transportation system to support a wide range of convenient and attractive transportation choices, including cars, transit, walking, bicycling, and other forms of personal conveyance.*
- b) A transportation system that is safe for all modes of travel.*
- c) A well-connected network of arterial and collector streets that adequately serves local travel needs and regional and intrastate access and freight mobility needs.*
- d) A cost-effective, aesthetically pleasing, and feasible transportation system.*
- e) A transportation system designed and located to minimize impacts to natural resources while providing for circulation for all modes of travel.*
- f) A range of street design types that reinforces a sense of community, leaves mixed-use areas intact, and minimizes impacts to neighborhoods to support community livability.*
- g) An interconnected system of bicycle and pedestrian routes that directly connects to community destinations, with special pedestrian amenities on transit streets. In order to provide options for north south travel in the 172nd Avenue corridor, development on both sides of 172nd will provide a connected and continuous pattern of north-south streets that parallel 172nd Avenue.*
- h) Direct and convenient freight access from employment and industrial areas to regional transportation facilities to reduce the potential for traffic intrusions into neighborhoods and rural areas.*
- j) A coordinated transportation system with existing neighboring cities and counties and future planning areas.*
- k) A transportation system in East Happy Valley that is consistent with the City's overall TSP.*

Finding:

The Plan conforms to the Transportation Goal of the Comprehensive Plan as the transportation infrastructure projects will provide safe, efficient and multi-modal transportation options in the Plan Area and will serve both residential and commercial development in the Plan Area.

Energy Conservation

Finding

This Goal does not apply to the Plan Area.

Urbanization

Plan Details

U-1

To provide for an orderly and efficient transition from rural to urban land use, to

accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

U-1.2: To ensure orderly development in the City of Happy Valley through formulation of growth management policies and guidelines that will determine how development can occur with provision of adequate levels of services, and where facilities are or will be made available.

U-1.3: To encourage controlled development while maintaining and enhancing the physical resources which make Happy Valley a desirable place to live.

Finding:

The Plan conforms to the Urbanization Goal of the Comprehensive Plan as the transportation infrastructure projects will provide safe, efficient and multi-modal transportation options in the Plan Area.

DRAFT

B. Happy Valley TSP

Plan Details

172nd -190th Avenue Corridor Management Plan Sunrise Project Interchange Management Areas

Goal 1: Livability - Transportation facilities shall be planned, designed and constructed in a manner which enhances the livability of Happy Valley.

Policy 1a: Build residential and neighborhood streets to discourage speeding.

The City will develop and maintain design standards and criteria for neighborhood traffic management for use in new development as well as existing neighborhoods for City streets. Measures to be developed may include narrower streets, speed bumps, traffic circles, curving streets, diverters, enforcement and/or other measures. The neighborhood traffic management design standards shall meet the current Oregon Fire Code.

Policy 1b: Encourage pedestrian accessibility by providing safe, secure and desirable pedestrian routes.

The City will develop and maintain a pedestrian plan in Happy Valley, outlining pedestrian routes. Sidewalk standards will be developed to define various widths, as necessary, for City street types.

Policy 1c: The City shall encourage the use of alternative fuel vehicles and the use of more efficient transportation modes.

The City shall consider providing incentives to encourage development which supports the use of alternative fuel vehicles within Happy Valley (i.e. charging stations for electric cars, biodiesel stations, etc.)

Policy 1d: The City shall be open to alternative designs such as roundabouts, etc.

The goals and policies established in the original TSP and through subsequent amendments were adopted to guide transportation system development in Happy Valley. Goals are defined as brief guiding statements that describe the desired result. Policies associated with each of the individual goals describe the actions needed to move the community in the direction of completing each goal.

In addition to retaining and refining previously adopted goals and policies that are still applicable, new goals and policies have been incorporated into the TSP update to expand the vision for the City's transportation system and meet recent changes to state and regional transportation plan policies and regulations.

Goal 2: Mobility - Transportation facilities shall accommodate commercial, industrial and residential growth and provides access though and around Happy Valley.

Policy 2a: The City shall work to minimize traffic on local streets within the city by supporting improvements that limit the amount of cut-through traffic passing through Happy Valley except for on major arterials.

Policy 2b: In development of roadway projects, impacts to adjacent homes/properties will be considered, minimized, and balanced between providing a safe and efficient transportation facility.

The City shall create a balance between neighborhood impacts and traffic safety by considering varying street widths (via removal of planter strips and/or center turn lane/median or by narrowing travel lanes) as well as traffic needs when roadway improvements are made.

Policy 2c: Balance the functional classification system throughout the City.

The City shall design an appropriate balance of local, collector, and arterial streets to accommodate the mobility needs of the City. This may include designing additional arterial streets as well as maintaining the functionality of the existing classifications of streets (i.e. a collector shall function as a collector, not a local street).

Goal 3: Multi-Modal Travel - Happy Valley shall strive to achieve a balanced transportation system that reduces the number of trips by single occupant vehicles by meeting the needs of auto, bicycle, pedestrian, and transit and increasing the connectivity for alternate travel modes.

Policy 3a: Bicycle lanes must be constructed on all arterials and collectors within Happy Valley (with construction or reconstruction projects). All schools, parks, public facilities and retail areas shall have direct access to a bikeway.

The City will develop a bicycle plan which connects key activity centers (such as schools, parks, public facilities and retail areas) with adjacent access. Standards for bicycle facilities within Happy Valley will be developed and maintained. Where activity centers are on local streets, connections to bicycle lanes shall be designated.

Policy 3b: Sidewalks must be constructed on all streets within Happy Valley (with construction or reconstruction projects). All schools, parks, public facilities and retail areas shall have direct access to a sidewalk.

The City will develop a pedestrian plan which connects key activity centers with adjacent access. Standards for pedestrian facilities within Happy Valley will be developed and maintained.

Policy 3j: Neighborhoods shall be connected to minimize out of direction travel for pedestrians and bicycles. This is achieved with a well developed local street system and off-street trail system.

The purpose of this policy is to provide accessibility within Happy Valley, with a focus on pedestrian connectivity. Pedestrian connectivity can be provided via pedestrian/bike paths between local streets and/or greenways where auto connectivity does not exist or is not feasible.

Policy 3af: Provide a high quality pedestrian environment along sidewalks to encourage walking trips. Design elements such as a landscape buffer or street trees, benches, lighting should be considered.

Goal 4: Safety - Happy Valley shall strive to achieve a safe transportation system by developing street standards, access management policies when constructing streets and by making street maintenance a priority.

Policy 4a: Design of streets shall relate to their intended use and function.

A functional classification system shall be developed for Happy Valley which meets the City's needs and respects needs of other agencies (Clackamas County, Metro, City of Portland). Appropriate design standards for these roadways will be developed by the

appropriate jurisdiction.

Policy 4b: Safe and secure routes to schools shall be designated for each school and any new residential project shall identify the safe path to school for children.

Working with the school district and citizens, the City will need to undertake a process of defining school route.

Policy 4f: New roadways shall meet lighting standards. Existing roadways shall be systematically retrofitted with roadway lighting.

Priority locations for roadway lighting include schools, parks, town center. The City shall coordinate with the County lighting district.

Goal 6: Accessibility - Develop transportation facilities which are accessible to all members of the community.

Policy 6a: Design and construct transportation facilities to meet the requirements of the Americans with Disabilities Act.

Goal 7: Cooperation - Implement the Transportation System Plan (TSP) in a coordinated manner.

Policy 7a: Coordinate and cooperate with adjacent agencies when necessary to develop transportation projects which benefit the region as a whole in addition to the City of Happy Valley.

Policy 7b: Plan transportation projects which are consistent with the amount of funding available.

Goal 10: 172nd-190th Avenue Corridor Management Plan – Implement the 172nd-190th Corridor Management Plan.

Policy 10a: The 172nd-190th Avenue Corridor Management Plan (CMP) is adopted as an ancillary document to the Happy Valley Transportation Plan and Happy Valley Comprehensive Plan.

Policy 10b: Happy Valley's applicable planning, development and capital improvements shall be consistent with, and help implement, the CMP.

Policy 10c: The City shall coordinate with Clackamas County, Gresham, and Damascus regarding implementation of the CMP.

Policy 10d: The City shall provide notice to Clackamas County, Gresham, and Damascus of proposed substantial amendments to the Happy Valley TSP, Comprehensive Plan, and Development Code that impact the CMP.

Policy 10e: The City shall participate in discussions regarding an interagency funding strategy outlining improvement prioritization, affected area, and agency roles and responsibilities to implement the CMP.

Policy 10f: The City shall review corridor right-of-way and access management needs prior to adopting Comprehensive Plan amendments and approving local land use actions.

Policy 10g: The success of the CMP will depend, in part, on the development of a connected local street network in areas adjacent to the corridor. The City shall evaluate, and require as practical, the provision of a connected local street system adjacent to arterials and collectors in the CMP area. This local network is intended to reduce reliance on 172nd and 190th Avenues for local trips and provide a street system that

parallels those arterials. Access spacing consistent with the CMP shall be implemented in concert with this policy.

Finding:

The Plan conforms to the TSP and the 172nd/190th Plan as the transportation infrastructure projects will provide safe, efficient and multi-modal transportation options in the Plan Area and will serve both residential and commercial development in the Plan Area. These new street facilities will be built in accordance with the standards of the TSP.

Plan Implementation

Finding:

This Goal does not apply to the Plan Area.

C. City of Happy Valley Parks Master Plan

This City's 2017 Parks Master Plan is an update to the Happy Valley Parks Master Plan adopted in 2003 and builds on the recreation planning foundation provided in the North Clackamas Park and Recreation District ("NCPRD") Master Plan completed in 2015. Happy Valley has experienced significant changes since the adoption of the earlier 2003 Master Plan, and the 2017 Parks Master Plan has been revised to reflect current community interests and opportunities related to the re-establishment of City-provided parks and recreation services and to plan for an expansion of the park system in response to continued residential and commercial development in the city limits.

City Mission Statement

Preserve and enhance the safety, livability, and character of our community.

Goal 1: Encourage and support active and ongoing participation by diverse community members in the planning and decision-making for parks and recreational opportunities.

Goal 2: Acquire a diversified system of parks, recreation facilities and open spaces that provides equitable access to all residents.

2.1 Proactively seek parkland identified within this Plan, in both developed and undeveloped areas, to secure suitable locations for new parks and open spaces.

Goal 3: Design and develop high-quality parks and recreation facilities to ensure the safety and enjoyment of users and maximize recreational experiences.

Goal 5: Develop a network of shared-use trails and bicycle & pedestrian corridors to enable connectivity between parks, neighborhoods and public amenities.

Finding:

The Plan conforms to the City's Parks Master Plan, a component part of the Comprehensive Plan as the acquisition project will provide the opportunity to secure future park land for the community. As noted in the Parks Master Plan, any acquisition will be coordinated as stipulated in the Parks Master Plan.

D. Land Development Code

The land uses in the Plan Area will conform to the zoning designations in the City of Happy Valley Land Development Code ("LDC"), including maximum densities and building requirements, and are incorporated by reference herein. The following zoning districts (below) are present in the Area.

The development is expected to conform to the zoning requirements, and if not, the zones will be changed prior to allowing development to proceed on a parcel or lot. As the LDC is updated, this document will be updated by reference. If a substantial amendment is completed in the future, this section will be updated to match the current zoning designations.

Residential Land Use Districts

Very Low Residential – R20 and R15

A. Purpose

1. Residential—Twenty Thousand (20,000) Square Feet (R-20). This low density urban residential district responds to development patterns already established in the City and perpetuates those patterns in recognition of the potential for infilling and the overall carrying capacity of the land. Single-family detached dwellings on larger lots are encouraged in this district which seeks to maintain "elbow room and breathing space" within the urban framework of the City. This district is a buffer between the low density and undeveloped areas and the higher density, more typical urban residential districts. It is within this district that uses and standards begin to change to reflect the desired urban trends and patterns. The district may be applied in sloped areas where clustering and other hillside protection standards are applied. The numerical designation of R-20 shall be interpreted to mean that the maximum density shall be one primary dwelling unit per twenty thousand (20,000) square feet of lot.

2. Residential—Fifteen Thousand (15,000) Square Feet (R-15). This low density urban residential district responds to the continuing urbanization of the City due to the availability of public sanitary sewers in areas previously zoned R-40 or R-20. Single-family detached dwellings are encouraged in this district which seeks to maintain "estate development" within the urban framework of the City. This district is a buffer between the densities allowed in the lower density R-20 district and the densities allowed in the medium density, more typical urban residential districts. The numerical designation of

R-15 shall be interpreted to mean that the maximum density shall be one primary dwelling unit per fifteen thousand (15,000) square feet of lot area.

Low Density Residential - R10, R8.5, R7

A. Purpose.

1. Residential—Ten Thousand (10,000) Square Feet (R-10). This urban residential district is a means by which the densities are increased to make efficient use of available facilities and services in an environment of single-family dwellings. Variations in dwelling types and lot sizes should provide for a necessary flexibility in the City which will prevent typical appearances created by the traditional subdivision of land. Standards in this district are strictly urban oriented and are designed to develop and perpetuate urban trends and patterns. The numerical designation R-10 shall be interpreted to mean that the maximum density shall be one primary dwelling unit per ten thousand (10,000) square feet of lot area.

2. Residential—Eight Thousand Five Hundred (8,500) Square Feet (R-8.5). This urban residential district responds to the continuing urbanization of the City. Single-family detached dwellings are encouraged, but multifamily development is allowed in this district, as part of a PUD, which seeks to maximize the development potential in hillside areas. This district serves as a buffer between the R-10 and R-7 development districts. The numerical designation of R-8.5 shall be interpreted to mean that the maximum density shall be one primary dwelling unit per eight thousand five hundred (8,500) square feet.

3. Residential—Seven Thousand (7,000) Square Feet (R-7). This development district will allow more urban residential density within the City through the use of small lots and a variation in dwelling types. Trends which were originated in lower density districts are continued and strengthened in this district and the patterns of the Comprehensive Plan are reinforced. Sanitary sewer and water are the most essential of urban services, but all Level I services and facilities are necessary and required for development at full density. The numerical designation R-7 shall be interpreted to mean that the maximum density shall be one primary dwelling unit per seven thousand (7,000) square feet of lot area.

Medium Density Residential – R5, MUR-S

A. Purpose.

1. Residential—Five Thousand (5,000) Square Feet (R-5). This development district will allow single-family (attached and detached) as well as duplexes, triplexes within the City. Sanitary sewer and water are the most essential of urban services, but all Level I services and facilities are necessary and required for development at full density. In this district, there is an average lot size of five thousand (5,000) square feet.

2. *Mixed Use Residential—Single-Family (MUR-S). Mixed use residential will promote compact form, and residential and commercial or residential and office mixed vertically, in addition to across the district. Minimum densities are provided to comply with the Urban Growth Management Functional Plan, Title 1 requirements. MUR-S has a minimum density of six units per net acre and a minimum lot size of five thousand (5,000) square feet.*

High Density Residential – MUR-A, SFA

A. Purpose.

1. *Mixed Use Residential—Attached (MUR-A). Mixed use residential will promote compact form, and residential and commercial or residential and office mixed vertically, in addition to across the district. Minimum densities are provided to comply with the Urban Growth Management Functional Plan, Title 1 requirements. MUR-A has a maximum density of fifteen (15) units per net acre and a minimum density of ten (10) units per net acre.*

2. *Single-Family Attached Residential (SFA). This district is intended to promote the livability, stability and improvement of Happy Valley’s new neighborhoods and to provide opportunities for a variety of medium density residential housing types with a density range of ten (10) to fifteen (15) dwelling units per acre, as well as certain neighborhood commercial uses. The district is intended to:*

- a. *Make efficient use of land and public services, and implement the Comprehensive Plan, by providing minimum and maximum density standards for housing.*
- b. *Accommodate a range of housing needs, including owner-occupied and rental housing.*
- c. *Provide for compatible building and site design at an appropriate neighborhood scale.*
- d. *Reduce reliance on the automobile for neighborhood travel and provide options for walking and bicycling.*
- e. *Provide direct and convenient access to schools, parks and neighborhood services.*

Mixed Use Residential- Multi-family (MURM including MURM 1 and 2 and MUR-X)

A. Purpose.

1. *Mixed use residential will promote compact form, and residential and commercial or residential and office mixed vertically, in addition to across the district. The multifamily sub-area provides for a range of densities, each of which should be shown on the master plan map. The multifamily sub-areas allow for retail uses that are meant to provide services to local residents, not attract outside traffic. The density requirements and minimum/maximum lot sizes are meant as a guide and will vary based on the*

amount of unbuildable lands removed from gross acres. The density is calculated by averaging density for the residential district area identified in the master plan. Therefore, some lots may be smaller than the lot sizes given below. Minimum densities are provided to comply with the Urban Growth Management Functional Plan, Title 1 requirements.

2. *MUR-X Mixed Use Buildings with Residential Emphasis. Residential and retail combinations with the primary use of the building being residential. Permitted commercial uses shown on Table 16.22.060-1.*

Mixed Use Commercial and Employment Districts – MUC, MUE, PMU

A. Purpose.

1. *Mixed Use Commercial (MUC). Mixed use commercial will provide for convenience commercial needs of residential neighborhoods and office workers in locations adjacent to and mixed in with residential and office areas. The location of services and offices near residential units and major transportation networks should promote use of alternative modes of transportation such as bus ridership, bicycle and pedestrian activity. Retail uses should be primarily located on the ground floor to encourage an interesting and active streetscape. Buildings should be oriented toward the street or accessway with clearly marked entrances. Blank frontage walls at street level are discouraged. Development boundaries and patterns are not defined by type of use (i.e., retail and office); instead the district allows a variety of permitted uses to occur throughout the commercial district. The commercial uses are meant to provide a concentration of commercial and office uses to create an active area.*

2. *Mixed Use Employment (MUE). The mixed use employment district will provide for development of office, employment and low density multifamily residential uses. The MUE neighborhood commercial subdistrict provides for neighborhood scale retail needs.*

3. *Planned Mixed Use (PMU). In conjunction with the development of the Rock Creek Comprehensive Plan to establish an area outside of the City core (i.e., outside the 1992 UGMA) that allows a mixture of land use types, including attached housing, retail sales, offices, commercial services and encourages linked transportation trips among these uses, this district is guided by a master plan approved by the City that outlines the general and specific land uses and permits phasing of development. The district is intended to provide flexibility to anticipate local needs and market changes for City residents. Development in the PMU District encourages public spaces, for better pedestrian and bicycle travel as well as a transition between high traffic streets and local residential neighborhoods. The PMU District in Happy Valley reinforces the concentration and intensity of uses planned in the 2040 Framework Plan. The district encourages efficient site utilization, including use of gross average density, reduced yard setbacks, and shadow plans.*

Commercial Districts – CCC, MCC

A. Purpose.

1. Community Commercial Center District (CCC). The Community Commercial Center (CCC) District is intended to provide locations or “nodes” for a relatively wide range of small businesses, services and mixed use adjacent to residential areas as a convenience to nearby residents. The CCC District is to be located and developed in a manner consistent with the Comprehensive Plan. In order to limit impacts to residential areas, new community commercial center nodes are intended to be limited in size to not more than five acres of contiguous land.

Building size is also limited to a thirty thousand (30,000) square foot footprint and measured in accordance with requirements of Table 16.23.030-2 (Footnote 5). Appropriate locations for community commercial center nodes are at the intersection of two arterial streets (major and minor), an arterial street and a collector street, or two collector streets, and within the Happy Valley Town Center Plan Area.

2. Mixed Commercial Center District (MCC). This zone is intended to establish locations for the development of mixed use commercial centers providing a broad range of shopping and service requirements to meet neighborhood and city-wide needs. The Mixed Commercial Center (MCC) District, as applied in the East Happy Valley Comprehensive Plan Area, corresponds to the Damascus/Boring Concept Plan’s designation of Neighborhood Centers. These mixed-use centers in the East Happy Valley Comprehensive Plan area accommodate retail services with a focus on meeting resident’s daily shopping needs. They are planned to be well served by transit and be integrated with mixed use and higher density housing, thus supporting less auto-dependent lifestyles. These centers are also appropriate locations for civic uses such as post offices and branch libraries. Their design is intended to be highly pedestrian-oriented.

New mixed commercial centers are limited to an area of up to fifteen (15) acres of contiguous land and shall be developed in a manner consistent with the Comprehensive Plan, except as described in Table 16.23.030-2 (Footnote 6), within the East Happy Valley Comprehensive Plan Area. Single-use retail buildings are limited to a maximum square footage of sixty thousand (60,000) square feet as specified in Table 16.23.030-2 (Footnote 6). Appropriate locations for mixed commercial centers are at the intersection of two arterial streets or an arterial and a major collector, preferably on streets served by transit.

All MCC developments involving twenty (20) acres or more of land shall be subject to master plan approval prior to development.

In the MCC District, buildings should be oriented towards the street or accessway with clearly marked entrances. Blank frontage walls at street level are discouraged. Development boundaries and patterns are not defined by type of use (for example, retail

and office); instead the district allows a variety of permitted uses to occur throughout the commercial district. The commercial uses are meant to provide a concentration of commercial and office uses to create an active area.

Institutional and Public Use – IPU, RC-ME

A. Purpose.

The IPU District proposes to serve the need for the designation of areas for necessary institutional uses such as schools and churches, and public and semipublic uses such as parks, a local government center and other governmental and public service uses. This district may be located at any place throughout the City, based on a determination by the City that such areas are required. The Comprehensive Plan identifies the need for such uses throughout the City, with that need being fulfilled through this district.

Rock Creek Mixed Employment

A. Purpose. The Rock Creek Mixed Employment (RC-ME) District permits land uses with high job densities that provide stable, family-wage employment within the City. This district provides a mix of uses that are compatible with nearby residential, institutional and commercial uses and provides a buffer between residential and more formally “light industrial” areas to the east. Permitted uses in the Rock Creek Mixed Employment District include office, creative arts, small-scale manufacturing, research and development, and medical centers. Commercial uses are limited to those serving the primary uses of the district. A limited number of residential uses, including pre-existing dwelling units, are permitted by right.

Industrial Districts – EC, IC

A. Purpose.

1. Employment Center (EC). The purpose of the Employment Center (EC) District is to provide for a mix of employment opportunities, located where they are accessible by a variety of transportation modes, including transit services and safe and convenient pedestrian connections. These areas provide sites suitable for business and office parks, campus and light industrial uses, professional and corporate offices, medical offices and clinics, tech/flex businesses, creative arts and services, technical/vocational schools and other related businesses. Building types range from large single user campuses, multiple tenant business parks to multistory mixed-use buildings. Quality design and a connected and walkable character of the surrounding environment will be provided. Housing is allowed when combined in vertical mixed-use buildings.

2. Industrial Campus (IC). Pursuant to Metro’s Urban Growth Management Functional Plan Title 4 for Regionally Significant Industrial Areas (RSIA) the purpose of the Industrial Campus District is to provide a ready supply of developable industrial land for the City of Happy Valley and the southeast metropolitan area. It seeks to promote economic development, job creation, sustainable businesses and green building

practices, jobs-housing balance, land optimization and freight mobility by preserving large contiguous areas for industrial clusters near existing and planned residential areas and transportation corridors. In order to protect the viability and integrity of industrial land, this district is not intended for residential use and shall allow only limited retail and commercial components. The Industrial Campus District is intended to be a mix of, but not limited to, the following industries:

- a. Green building products and design;*
- b. Advanced materials;*
- c. Medical devices;*
- d. Specialized software applications;*
- e. Forestry and agricultural biotechnology;*
- f. Nanotechnology;*
- g. Recreational equipment/recreation technology;*
- h. Corporate headquarters;*
- i. Professional services;*
- j. Specialty food processing;*
- k. Transportation equipment/technology;*
- l. Logistics.*

E. Clackamas County Zoning and Development Ordinance

Some properties in the Plan Area are not yet re-zoned to a Happy Valley Zoning and Comprehensive Plan designation. As this transition occurs, those new zones are automatically incorporated into this Plan without further action being required. If a substantial amendment is completed, this section will be reviewed, and these classifications updated.

Within the Area are the following County zones:

*RA – 2 Rural Area Residential 2-Acre
RR-FF 5 – Rural Residential Farm Forest 5-Acre
FF 10 - Farm Forest 10 -Acre
EFU – Exclusive Farm Use*

Section 300: Urban and Rural Residential Districts

PURPOSE

Section 316 is adopted to implement the policies of the Comprehensive Plan for Unincorporated Community Residential, Rural, and Future Urban areas.

APPLICABILITY

Section 316 applies to land in the Rural Area Residential 1-Acre (RA-1), Rural Area Residential 2-Acre (RA-2), Recreational Residential (RR), Rural Residential Farm Forest 5-Acre (RRFF-5), Farm Forest 10-Acre (FF-10), and Future Urban 10-Acre (FU-10) Districts, hereinafter collectively referred to as the rural residential and future urban residential zoning districts.

Section 400: Natural Resource Districts

EFU – Exclusive Farm Use

PURPOSE

Section 401 is adopted to implement the policies of the Comprehensive Plan for Agriculture areas.

APPLICABILITY

Section 401 applies to land in the Exclusive Farm Use (EFU) District.

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XII. APPENDIX A: LEGAL DESCRIPTION

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