

**MEMORANDUM**

TO: Mayor and City Council

FROM: Eric Mongan, City Planner

SUBJECT: FIRST VOTE FOR ORDINANCE AMENDING THE COTTAGE GROVE COMPREHENSIVE PLAN LAND USE DIAGRAM MAP & TITLE 14 LAND USE DISTRICT MAP FOR AN UNADDRESSED TRACT OF LAND ALSO KNOWN AS MAP/TAX LOT: 20-03-32-00-03101 (MCPA 2-23)

DATE: October 4, 2023

Background

Council has held a Public Hearing on the proposed amendment of the Comprehensive Plan Land Use Diagram map and the Title 14, Cottage Grove Development Code Land Use District Map to re-designate 25.96 acres of land recently purchased by the City of Cottage Grove located between the Coast Fork Willamette River and HWY 99S just north of Rachel Road from the current M – Medium Density Residential designation and R2 – Multi-Family Residential zoning to I – Industrial designation and M – Industrial zoning.

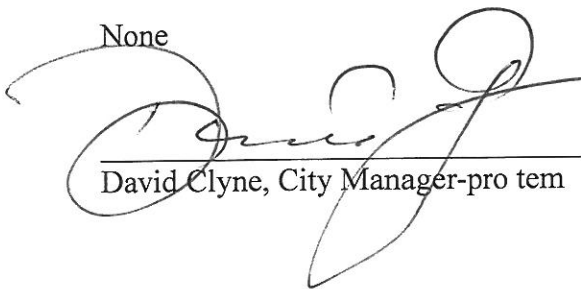
The Planning Commission held a public hearing on the attached Ordinance on September 20, 2023 and recommended approval to Council. It is now appropriate that Council consider the Ordinance.

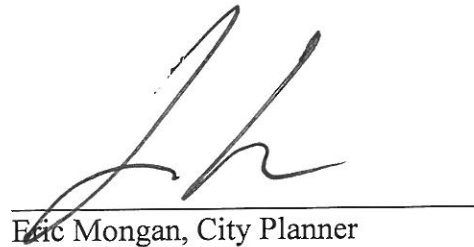
Recommendation

After Council deliberation it is recommended that City Council hold the first vote on the attached Ordinance. The Ordinance was prepared and has been available for at least one week prior to this meeting. This Ordinance could be adopted at one meeting.

Cost

None

  
\_\_\_\_\_  
David Clyne, City Manager-pro tem

  
\_\_\_\_\_  
Eric Mongan, City Planner

ORDINANCE NO. \_\_\_\_

AN ORDINANCE AMENDING THE COTTAGE GROVE  
COMPREHENSIVE PLAN LAND USE DIAGRAM  
MAP & TITLE 14 LAND USE DISTRICT MAP  
FOR GRACE WEST PROPERTIES, LLC  
MCPA 2-23  
Map 20-03-32-00 TL 3101

THE CITY OF COTTAGE GROVE ORDAINS AS FOLLOWS:

WHEREAS, the City of Cottage Grove has developed and adopted the City Comprehensive Plan including the land use diagram map in accordance with Statewide Planning Goals and acknowledged by the Oregon State Land Conservation and Development Commission; and

WHEREAS, the City of Cottage Grove adopted Title 14 Cottage Grove Development Code including the land use district map which implements the City Comprehensive Land Use Plan and has been acknowledged by the Oregon State Department of Land Conservation and Development; and

WHEREAS, Grace West Properties, LLC owns TL 3101, a 25.96 acre parcel (Map/TL: 20-03-32-00-03101) that is undeveloped, shown in the map in Exhibit “A” attached hereto and forming a part of this ordinance; and

WHEREAS, the owner has applied to amend the Comprehensive Plan Land Use Plan Land Use Diagram Map and Title 14 Cottage Grove Development Code Land Use District Map for the subject property to establish a needed large tract of buildable industrial lands within the city limits of Cottage Grove; and

WHEREAS, on September 20<sup>th</sup> 2023, the Cottage Grove Planning Commission conducted a properly noticed public hearing, provided the public an opportunity to comment on the proposed plan change and rezone, and adopted findings and recommended Council approval of the proposal; and

WHEREAS, on October 9, 2023, the Cottage Grove City Council conducted a properly noticed public hearing concerning the proposed plan change and rezone and provided the public with an opportunity to be heard; and

WHEREAS, the Council has reviewed the record and Planning Commission recommendation of approval, and has determined to approve the Plan change and rezone.

THE CITY OF COTTAGE GROVE ORDAINS AS FOLLOWS:

Section 1. Purpose. The purpose of this ordinance is to amend the adopted Comprehensive Plan land use diagram map and the Title 14, Cottage Grove Development Code

land use district map for the subject properties shown in Exhibit “A” attached hereto and forming a part of this ordinance.

Section 2. Findings. The City Council has determined that: (1) the Comprehensive Plan land use diagram map and Cottage Grove Development Code land use district map amendments properly implement the Statewide Goals; (2) the amended plan and code maps adequately address the land needs of the community; and (3) the amendments are in the public’s interest and will serve the health, safety, and welfare of the citizens of the City of Cottage Grove. Further, the City Council hereby adopts findings in support of this re-designation and rezone, as set forth in the above recitals and as detailed in Exhibit “B” attached hereto and incorporated as a part of this ordinance.

Section 3. Amendments.

- a. The Cottage Grove Comprehensive Plan land use diagram map is hereby amended to re-designate the subject property described in Exhibit A as TL 3101 from M – Medium Density Residential to I - Industrial; and
- b. Amend Title 14, Cottage Grove Development Code land use district map to rezone the subject properties described in Exhibit A as TL 3101 from R2 – Medium Density Multiple Family Residential to M – Industrial.

PASSED BY THE COUNCIL AND APPROVED BY THE MAYOR THIS 9<sup>th</sup> DAY OF OCTOBER, 2023.

\_\_\_\_\_  
Candace Solesbee, Mayor

Dated: \_\_\_\_\_

\_\_\_\_\_  
David Clyne, City Manager-pro tem

Dated: \_\_\_\_\_



EXHIBIT B  
ORDINANCE NO. \_\_\_\_\_

1. Grace West Properties, LLC owns 25.96 acres identified as Map 20-03-32-00 TL 3101, which is undeveloped. The parcels are designated as M – Medium Density Residential, and zoned as R2 – Multi-family Residential.
2. Grace West Properties, LLC has made this application to change the designation and zoning on the subject property (Map/TL: 20-03-32-00-03101) to I – Industrial and zoned as M - Industrial, in order to create a large tract of buildable industrial land.
3. The City of Cottage Grove Comprehensive Plan, under “The Plan in General,” states that it contains broad generalized patterns of land use for those areas in which a given land use is best suited, where a land use is compatible to surrounding land uses and where the need for a given land use exists.
4. The City Comprehensive Plan also states that the plan is not complete. It is subject to revision to meet the many possible economic, political and technological events that might occur in the future. The plan must also remain flexible and responsive to the citizens in reflecting their desire and needs to remain current and reflect the changing form of the community.
5. The applicant proposes these comprehensive plan and zoning map changes to the City’s maps to establish a large tract of buildable industrial land (25.96 acres). The proposed designation and zoning align with the adjacent designation and zoning to the west.
6. Adequate public facilities, including water, sewer, storm water, and streets will be constructed at time of development of the subject property. This will ensure that the proper capacity for development is achieved and provide for future development in the area provided to the site.. There are not foreseeable impacts to traffic conditions or transportation facilities with the proposed re-designation and zone change.

The following Statewide Planning Goals are not applicable to the proposed re-designation/rezoning: Goal 3 – Agricultural Lands; Goal 4 – Forest Lands; Goal 16- Estuarine Resources Goal 17 – Coastal Shorelands; Goal 18 – Beaches & Dunes; and Goal 19 – Ocean Resources.

7. The following Statewide Planning Goals are applicable and the amendment complies with them as noted below:

**Goal 1: Citizen Involvement**

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

The acknowledged Cottage Grove Comprehensive Plan (Plan) and Title 14 Cottage Grove Development Code complies with Goal 1. The Type IV Permit Application process required by

Title 14 has been used for the Plan amendment/zone change proposal and is in compliance with Goal 1. Proper public notice of the proposed change has been provided through the Type IV public notice process as specified in Section 14.41.500A of the Development Code. The Department of Land Conservation and Development was notified of the intended amendments on August 16, 2023. Public hearings will be held at the Planning Commission and City Council levels to consider this re-designation/rezoning. Our process involves various forms of notification of the public in the immediate area, notification in local media, and notification of impacted governmental agencies and a recognized neighborhood group.

**Goal 2: Land Use Planning**

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

The land use planning process used by Cottage Grove to review this application is consistent with Goal 2. The City has established 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. The proposed changes followed the process established in Title 14 of the City of Cottage Grove Municipal Code and have been found compatible with the City's Comprehensive Plan.

**Goal 3: Agricultural Lands**

**To preserve and maintain agricultural lands.**

This goal does not apply to the application as land within acknowledged urban growth boundaries is not considered agricultural. The subject properties are within the acknowledged urban growth boundary of Cottage Grove, and are within the city limits.

**Goal 4: Forest Lands**

**To conserve forest lands by maintaining the forest land base and to protect the state's forest economy by making possible economically efficient forest practices that assure the continuous growing and harvesting of forest tree species as the leading use on forest land consistent with sound management of soil, air, water, and fish and wildlife resources and to provide for recreational opportunities and agriculture.**

This goal does not apply to the application. Forest lands are those lands acknowledged as forest lands as of the date of adoption of this goal amendment. The subject properties have never been acknowledged as forest lands.

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

No known wetlands or historic areas are located on the subject properties. The subject property is bounded to the east by the Coast Fork Willamette River and is encumbered by the Special Flood Hazard Area and the Willamette River Greenway (see inset photo).

Conversion of the subject property from M – Medium Density Residential/R2 Multi-family Residential to I – Industrial/M - Industrial aligns well with the location of the subject property as it is located adjacent to an active rail line. Additionally, just across the railroad tracks is the Cottage Grove Industrial Park.



As mentioned the Willamette River Greenway, riparian area, and Special Flood Hazard area along the eastern boundary of the subject property will require that any development of the subject property meet Federal, State, and local standards. In meeting these standards any development will create and protect the view shed from as seen from along the banks of the Coast Fork Willamette and therefor maintaining open space along the river.

This proposed plan amendment/zone change is in alignment with existing development and adjacent zoning and is in compliance with Goal 5.

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

There are no anticipated capacity problems with the existing (none) and planned facilities in the area to accommodate existing or potential industrial uses. Any new development will be required to comply with Development Code requirements for stormwater management (Chapter 14.35 of the CGMC) and Comprehensive Plan requirements related to air and water resource quality. Hence Goal 6 does not apply at this time.

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

The subject property lies along the left bank of the Coast Fork Willamette River. Per FEMA FIRM's (June 1, 1999) the property is encumbered by the Special Flood Hazard Area (100-year and 500-year). The floodplain extends into the subject property approximately 290' in a semi uniform pattern along the eastern side from north to south. Any proposed development in this area will be required to adhere to Section 14.37.200 Flood Damage Prevention. There are no other known potential natural hazards that are not city-wide in nature (such as earthquakes). Compliance with building code and development code regulations when developing industrial uses will be a requirement for all future work to ensure that damage from natural hazards is mitigated to the greatest extent possible. The proposed change is in compliance with Goal 7.

### **Goal 8: Recreational Needs**

**To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.**

The subject property lies along the left bank of the Coast Fork Willamette River and is in the Willamette River Greenway. As a condition of any Greenway Permit that is applied for and approved the areas within 50-100' of top of bank will remain accessible to the public for access to this portion of the river. The proposed designation/zone change enhances the city's ability to protect this important recreational resource and is in compliance with Goal 8.

### **Goal 9: Economic Development**

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

The proposed Plan amendment from M – Medium Density Residential to I – Industrial is an effort by the City to increase our competitive edge in regard to having shovel ready industrial sites within the incorporated city limits of Cottage Grove. The 2009 Economic Opportunities Analysis identified that there was a significant lack of developable or re-developable industrial lands within city limits or the UGB. Specifically, there were no industrial lands larger than 10 acres available for development. In the same EOA, it was identified that the City needed an additional 100 acres of industrial lands to meet the growth projections identified in the report. In 2010, the City of Cottage Grove completed a Plan Amendment with Boundary Adjustment. In that application it was identified via memorandum from Winterbrook Planning that the City needed an additional 24 acres of gross useable industrial lands. To accommodate this, staff engaged with Weyerhaeuser, an existing development located just south of the UGB at the time. At that time Weyerhaeuser expressed some interest in incorporating into city limits but to date that has not occurred due to the significant increase in overhead that Weyerhaeuser would endure. As of today, it is understood that Weyerhaeuser does not plan on incorporating into city limits. This leaves the City still needing at least one large 20+ acre tract of industrial lands.

Per an Annexation Agreement between the City of Cottage Grove and the property owners executed and recorded in 1981 (81-49163 LCDR, Exhibit 2), the City and property owners established that the subject property be designated industrial lands upon annexation.



Unfortunately, likely through the passing of time, this agreement was not adhered to. This proposed Plan amendment will correct a missed opportunity to have a large tract of industrial land that is flat and has access to rail, HWY 99, and following the construction of a new bridge across the Coast Fork Willamette River, will have access to NB Interstate-5. Having this large tract in our inventory will position the City to be competitive in our recruitment efforts to bring a larger scale employer to the City of Cottage Grove. The proposed change is in compliance with Goal 9.

**Goal 10: Housing**

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

Goal 10 is applicable. The proposed comprehensive Plan change/zone change will convert 25.96 acres of the existing housing lands inventory to industrial. Per the 2018 Housing Needs Analysis the following findings were determined:

Exhibit 55 shows the following needed densities, in net and gross acres. Exhibit 55 converts between net acres and gross acres to account for land needed for rights-of-way based on empirical analysis of existing rights-of-way by Plan designation in Cottage Grove. For example, in residential development in the Medium Density designation, 20% of developed land is in rights-of-way.

- **Low Density Residential:** 22% of land is in rights-of-way. The densities by zone in this Plan Designation area are between 4.0 dwelling units per net acre and 6.0 dwelling units per net acre.
- **Medium Density Residential:** 20% of land is in rights-of-way. The densities by zone in this Plan Designation area are between 6.0 dwelling units per net acre and 12.0 dwelling units per net acre. Development in the Medium Density Designation is generally occurring towards the lower end of the density range, in recent years.
- **High Density Residential:** 18% of land is in rights-of-way. The densities by zone in this Plan Designation area are a minimum of 10.0 dwelling units per net acre, with no specified maximum density. The maximum density is regulated by the maximum height limit (40 feet). For example, single-family detached housing is not allowed in this Designation, unless it is built as new cottage housing at a density of at least 10 dwelling units per acre.

Exhibit 55. Needed density for housing built in the Cottage Grove UGB, 2018 to 2038

Source: ECONorthwest. *Note: DU is dwelling unit.*

Plan Designation	Average Net Density (du/acre)	Percentage for Rights-of-Way	Average Gross Density (du/acre)
Low Density Residential	5	22%	3.9
Medium Density Residential	8	20%	6.4
High Density Residential	21	18%	17.2
Commercial Plan Designations	30	25%	22.5

As the study shows in the Medium Density development the trend at the time was development at densities closer to the minimum requirement. To address this staff convened a committee to conduct a residential code audit. In that process the following amendments were proposed and adopted:

- Removal of maximum densities from all residential zones
- Reduction of minimum lot sizes (width, depth, square footage)
- Increased allowed lot coverage

These amendments coupled with the adoption of a Multi-Unit Property Tax Exemption Program have spurred new development of multi-family housing. The table below shows the number of new developments by zone type and units per acre.

Plan Designation	Min units/acre	Total new units January 1, 2019 to August 1, 2023	Total Acreage	Avg Density
Low-Density Residential	4	51	8.77	5.8
Medium-Density Residential	8	99	4.77	20.8
High-Density Residential	14	20	1.37	14.6
C2P	n/a	5	0.63	7.9
RC	8	40	2.01	19.9
	<b>Total new</b>	<b>215</b>	<b>17.55</b>	
		<b>Average Density of Development Across All Zones</b>		<b>12.25</b>

The removal of maximum densities has allowed for developers to maximize the use of lands available achieving densities of 20+ units per acre and overall an increase in the density of development citywide with an average across all zones of 12.25 units/acre.

With the current inventory of buildable residential lands and the ability for developers to achieve 17-22 units/acre the City believes that the conversion of the 25.96 acres to industrial lands will not inhibit the City’s ability to have an adequate supply of lands for all housing types.

Lastly, the location of the subject property with the railroad and Cottage Grove Industrial Park to the west the lands are better suited to be re-designated to M – Industrial and fill a much needed gap in the City’s buildable industrial lands inventory.

The proposed change is in compliance with Goal 10.

**Goal 11: Public Facilities and Services**

**To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.**

The subject property and adjoining properties part of the purchase agreement can be adequately served with public facilities. Street and sidewalk infrastructure will be installed as a condition of approval at such time the property owner submits a development permit (land use review or site design review). The properties are adequately served by police/fire service, public transit, and a thorough transportation network. The proposed change is in compliance with Goal 11.

**Goal 12: Transportation**

**To provide and encourage a safe, convenient and economic transportation system.**

At present the subject property can only be accessed via an easement over private property to the south. However, per that same easement(s) the City is named to benefit as the owner has the right to convert the easement area into right-of-way for the purpose of constructing a road and all necessary utilities (2007-71729 & 2007-72047 LCDR). The City's 2015 Transportation System Plan calls for the construction of a bridge over the Coast Fork Willamette River as an extension of Cleveland Avenue. Prior to the development of the subject property the City will construct said bridge for the benefit of the subject parcel and the adjacent residential lands on the east side of the river. The cross-section Cleveland Avenue extension, bridge and connection to HWY 99 S will meet the standards of a Minor Arterial per Chapter 14.34 Public Facilities and provide ADA accessibility and bicycle lanes. The improvements to the transportation system as shown in the adopted TSP will create the necessary capacity to the transportation system to safely serve the proposed change from multi-family residential to industrial. Additionally, the construction of a fifth river crossing within the City provides for shorter travel distances and resiliency in the event of a natural disaster. Hence, the proposed change is in compliance with Goal 12.

### **Goal 13: Energy Conservation**

**To conserve energy.**

The Plan amendment/zone change will promote more energy efficient development through the implementation of the Development Code and the Oregon Specialty Code. This includes the conservation of mature trees, creation of new pedestrian routes, and the construction of a new crossing of the Coast Fork Willamette River. The new river crossing will reduce the vehicle trip distance for those on the south end of town wishing to get to the other side of town, thus reducing vehicle miles. The proposed change is in compliance with Goal 13.

### **Goal 14: Urbanization**

**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.**

The subject property has been annexed to the City of Cottage Grove and is inside the City's acknowledged Urban Growth Boundary. Per a Deed Restriction recorded against the property in 1981 between the property owners and the City of Cottage Grove, the proposed industrial designation should have been applied to the subject property upon time of annexation given its proximity to the State Highway and railroad. This application for Plan amendment and zone change will allow for the highest best use of the subject property and meet the terms of the annexation agreement from 1981 (81-49163-Lane County Deeds and Records). This application is in compliance with Goal 14.

### **Goal 15: Willamette River Greenway**

**To protect, enhance and maintain the natural, scenic, historical, agricultural, economic, and recreational qualities along the Willamette River.**

The subject parcel is encumbered by the Willamette River Greenway along its eastern boundary. The implementation and enforcement of the Chapter 14.37 Sensitive Lands will ensure that this section of the Greenway will be preserved for its natural benefits to the riparian area of the Coast

Fork Willamette River. The proposed designation of Industrial to the subject parcel does not affect the development regulations in the Greenway and Riparian Setbacks. The proposed amendment is in compliance with Goal 15.