

**Urban Renewal Agency Board of Directors Agenda
City of North Plains
NORTH PLAINS SENIOR CENTER
31450 NW Commercial
Monday, July 20, 2015
8:00 P.M.
Special Session**

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **CONSENT AGENDA:** *(The items on the Consent Agenda are normally considered in a single motion. Any item may be removed for separate consideration upon request by any member of the Council.)*
 - A. Approval of Special Session agenda
 - B. Approval of minutes of 06/15/15 Special Session URA Board of Directors
4. **PUBLIC COMMENT:** *(Persons wishing to speak on matters not on the agenda may be recognized at this time. Speakers must complete a "Public Comment Registration form" on the information table and return it to the City Recorder. You are not required to give your address when speaking to the City Council, only your name. Presentations are limited to five minutes.)*
5. **PUBLIC HEARING:**
None Scheduled
6. **NEW BUSINESS:**
None scheduled
7. **UNFINISHED BUSINESS:**
 - A. Discussion regarding purchasing options for Vanderzanden Property on Commercial Street
8. **ADJOURNMENT**

North Plains Urban Renewal Agency meetings are accessible for disabled individuals. The Agency will also endeavor to provide services for persons with impaired hearing or vision and other services, if requested, at least 48 hours prior to the meeting. To obtain services, please call City Hall at (503) 647-5555.

**City of North Plains
Urban Renewal Agency (URA) Board of Directors
Monday, June 15, 2015, Special Session
MINUTES**

1. **Call to Order:** Chair Kindel called the meeting to order at 8:32 p.m.

2. **ROLL CALL:**
Directors present:
Chair Robert Kindel, Jr., Directors: David Hatcher, Teri Lenahan, Charlynn Newton, Sandi King, Sherrie Simmons, Scott Whitehead

Staff present: Finance Director Rachael Lembo, City Recorder Margaret Reh

3. **CONSENT AGENDA**
 - A. Regular Session Agenda Approval
 - B. Approval of minutes of 06/01/15 Special Session URA Board of Directors

Motion by Hatcher. Seconded by Lenahan to approve the Consent Agenda. The motion was approved unanimously.

4. **PUBLIC COMMENT**
None were forthcoming

5. **PUBLIC HEARING:**
 - A. Approve URA Resolution No. 15-0001 Adopting the Annual North Plains Urban Renewal Agency (URA) Budget for Fiscal Year 2015-16

Chair Kindel opened the public hearing at 8:34 p.m. This is to approve URA Resolution No. 15-0001 adopting the Annual North Plains Urban Renewal Agency (URA) Budget for Fiscal Year 2015-16. Kindel opened the floor for discussion. Lembo stated the budget committee approved this budget and numbers have not been changed. Lembo did state that due to recent discussions regarding the possibility of the URA purchasing property, this may be something the URA Board may want to start looking at options. The URA Board is only allowed to make changes in the budget up to \$5000. They cannot put any more money in the contingency. Discussion ensued regarding finance opportunities for possible upcoming property purchases and staff time required for this type of endeavor.

Kindel closed the public hearing at 8:46 p.m.

Motion by Hatcher. Second by Lenahan to approve the budget for the North Plains Urban Renewal Agency (URA) Fiscal Year 2015-16. Motion was approved unanimously.

6. **NEW BUSINESS:**
None scheduled

7. **UNFINISHED BUSINESS:**

It was suggested to have an additional URA meeting on July 6, 2015 to further discuss the possibility of purchasing the Vanderzanden property and the vision for the property.

8. **ADJOURNMENT**

Chair Kindel adjourned the meeting at 8:47 p.m.

Robert Kindel, Jr., URA Chairperson

Margaret L. Reh, City Recorder

Date approved _____



CITY OF NORTH PLAINS

31360 NW Commercial Street, North Plains, Oregon 97133

Date: July 20, 2015
To: Urban Renewal Agency Board of Directors
From: Interim City Manager Blake Boyles
Subject: Rankin Vanderzanden Property

Request: URA Directors to further discuss the possibility of purchasing a parcel of land in the best interest of the URA.

Background: City Council viewed an appraisal submitted for the Vanderzanden property at the September 15, 2014 Council meeting. The property in question (Tax lots 1N31DA3101 & 1N31DA3102) was once zoned commercial but changed some years back to R-2.5.

Council requested staff to report on the estimated financial burden the City would incur if the one acre piece of property on Commercial Street, east of 311th, were purchased. It was determined that the URA has capacity to repay the loan and so does the General Fund.

Rodney Linz, 42315 NW Woollen Road, Banks, Oregon, son-in-law of Frank Vanderzanden, have been in discussions regarding this property with the City Council and the URA Board. Linz has given a history of the property since the purchase of the property back in 1968 and 1971 to both groups. A hypothetical commercial appraisal for this property had been submitted to the Board previously and is included again in the Agenda Packet for tonight's meeting.

One option is to buy it, change the zoning and then resell it as commercial property. It could be used as an economic development tool as it is centrally located. This property could be critical to expanding the downtown area. Council wants to hear what the Planning Commission has to say about this property and the uses for it. This could be discussed again after further revisions on the Comprehensive Plan have been made.

The URA has approx. \$310k in opening fund balance, therefore a loan would be necessary to purchase this property. While the City's General Fund has sufficient cash to loan, a loan was not budgeted in FY15-16 and could not be made this year. Finance Manager Rachael Lembo obtained a loan proposal from Premier Community Bank

which has a reasonable interest rate. The loan proposal is attached. Also attached is a comparison of debt the URA has incurred since its inception.

Fiscal Impact: To be determined by URA if interested in lot.

Environmental Issues: No environmental issues are associated with this item.

Recommendation: For URA to decide agency needs for area in question.

*Attachments: Loan Proposal from Premier Community Bank
URA Loan Comparison*



June 16, 2015

Urban Renewal Agency
For the City of North Plains
North Plains, Oregon 97133

Dear Ms. Lembo,

Thank you for contacting Premier Community Bank regarding your financing needs for the purchase of the Vanderzanden property located six blocks east of North Plains. We sincerely appreciate your business over the years.

We are happy to present you with the following proposal, which summarizes a potential financing structure and terms. This letter is not a complete, detailed document that covers all of the rights and obligations associated with such a loan, but rather a summary of the terms and conditions for your review and consideration.

- Borrower:** Urban Renewal Agency for the City of North Plains
- Guarantor:** City of North Plains
- Purpose:** Purchase of unimproved land
- Loan Amount:** Up to \$292,500 or 65% of appraised value, whichever is less.
- Collateral:** First position lien security interest in the real property located at the following legal address:

West half of Lot 4 together with Lots 5 through 12, Block 20, North Plains, Washington County, Oregon. For assessment purposes, it is commonly identified as Tax Lots 3101 and 3102 of Section 1DA, Township 1 North, Range 3 West, Washington County, Oregon.
- Term:** 15 years
- Rate:** Three consecutive five year rate terms with fixed interest rates equal to Des Moines Federal Home Loan Bank fixed rate for Intermediate 5-year term advances ("5 year Index") plus 1.03%. The initial five year period will have a fixed rate of 3.20%, if the loan is closed within 60 days. If the closing occurs after 60 days, the then current index will be used.

Optional Rate: With a commitment from the City of North Plains and the Urban Renewal Agency to keep their primary deposit relationships with Premier Community Bank for the life of this loan, the interest rate would be reduced to the following:

Three consecutive five year rate terms with fixed interest rates equal to Des Moines Federal Home Loan Bank fixed rate for Intermediate 5-year term advances ("5 year Index") plus 0.73%. The initial five year period will have a fixed rate of 2.90%, if the loan is closed within 60 days. If the closing occurs after 60 days, the then current index will be used.

If at any time the primary deposits are not held with Premier Community Bank, the rate would increase to the first rate quoted above, namely the index plus 1.03%.

Rate Floor: A floor rate commensurate with the initial with the initial five year rate will be in effect for the full loan term.

Loan Fee: \$1,462.50 or 0.50% of the final principal loan amount

Amortization: 15 years

Payments: Principal and interest due monthly, remaining principal and interest due at maturity.

Appraisal: An appraisal of the property will be required and the direct cost will fall to the borrower. An appraisal review may also be required in certain circumstances and may also create a fee that would be the responsibility of the borrower.

Title: A title insurance policy will be required affirming and insuring Premier Community Bank's first lien position on the collateral property. An escrow closing may also be required.

Third-Party Costs: Borrower will pay Premier Community Bank's out-of-pocket costs for lien searches, title related fees, appraisals, recording fees and other customary costs.

Again, we are very pleased to propose these financing terms. If any of the terms and conditions contained herein are not acceptable, please let us know so that we can discuss them further.

Please sign this application letter to indicate that you would like us to process your request for financing. Please note that this summary does not contain all of the rights, obligations and/or privileges related to this proposed loan and that the final execution of Premier Community Bank's loan documents will be required. This proposal will expire within 30 days of issuance if no action is taken by the borrower.

Sincerely,



Doreen App
Commercial Loan Officer
(503) 597-5561

ACKNOWLEDGEMENT

Acknowledged and agreed to this ____ day of _____, 2015

By: _____
Rachael Lembo, Finance Manager for URA for City of North Plains

ORS 41.580 (3) (a) NOTICE
UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY THE BANK AFTER OCTOBER 3, 1989 CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE BORROWER'S RESIDENCE, MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY THE BANK TO BE ENFORCEABLE.

City of North Plains
 URA land purchase - loan comparison
 June 10, 2015

	Loaned by	Loan start	Loan end	Loan period	Loan Amount	Interest Rate	Interest	Issuance Costs	Total cost	Cost/\$/yr	Est Annual Cost	Notes
<u>Previous debt:</u>												
Kaybern lot	Premier Bank	2/12/2009	2/1/2014	5	\$ 131,750	4.25%, variable	\$ 28,002		\$ 28,002	\$ 0.043	\$ 6,000	1, 2
Yellow House	Premier Bank	8/2/2012	2/1/2014	1.5	\$ 90,000	4.5%, variable	\$ 5,368		\$ 5,368	\$ 0.040	\$ 13,000	2
<u>Current debt:</u>												
Glencoe Road	LOCAP	3/14/2011	12/1/2030	20	\$ 275,000	3-5.7%	\$ 173,993	\$ 13,039	\$ 187,032	\$ 0.034	\$ 22,000	3
Kaybern/Yellow House	General Fund	1/1/2014	1/1/2024	10	\$ 185,000	3.25%	\$ 34,652	\$ -	\$ 34,652	\$ 0.019	\$ 22,000	
<u>Potential debt:</u>												
new property	Premier Bank			15	\$ 292,500	2.9%, variable	\$ 82,124	\$ 1,463	\$ 83,586	\$ 0.019	\$ 24,000	4

- 1 - small principal payments, balloon payment due after 5 years
- 2 - issuance costs could not be identified
- 3 - no prepayment until Dec 2019
- 4 - three consecutive 5-year loans, interest varies upon renewal

JOHN A. RANKIN, LLC.
Attorney at Law
26715 SW Baker Road
Sherwood, Oregon 97140
(503) 625-9710 / Fax (503) 625-9709
email: john@johnrankin.com

VIA FIRST CLASS MAIL

August 13, 2014

Martha DeBry, City Manager
City Council
City of North Plains
31360 NW Commercial Street
North Plains, OR 97133
Phone: 503-647-5555
FAX: 503-647-2031

**RE: Vanderzanden Property Appraisal with Hypothetical Commercial Zoning
Vanderzanden Asking Price for Possible City Purchase.**

Dear Martha and City Council:

Please find enclosed the City's copy of the original above noted appraisal by R. P. Herman and Associates which you requested based on the City's potential interest in purchasing the Vanderzanden property, for your and the City Council's review and consideration.

Regarding establishing a final negotiated purchase price, as you know, under the property's current zoned R-2 and with the 15-unit townhouse approval, we have been marketing the property at an asking price of \$495,000. The enclosed appraisal at the hypothetical commercial zoning estimates the value at \$450,000 in order to establish a "superior market position" (page 38) relative to the adjacent property which has recently come on the market AT \$10.59/SF, which means the Vanderzanden property asking price should be \$529,500 (50,000 SF X \$10.59/SF).

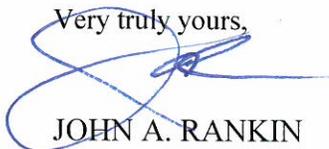
The appraisal states on that same page that Comparable 2 and 3 support a value of \$10.00/SF for the Vanderzanden property, which means the asking price under the hypothetical commercial zoning would be \$500,000.

Finally, we have considered the option of obtaining City approval for a narrow lot detached single family development, which could allow for a total of 12 lots, which we understand are currently being valued in the new Polygon NW development in east North Plains at a raw land value of approximately \$50,000/lot, which would make the Vanderzanden property worth approximately \$600,000 with a narrow lot subdivision approval.

THEREFORE, BASED ON THE ENCLOSED APPRAISAL AND ABOVE ANALYSIS, THE VANDERZANDENS ARE PLEASED TO OFFER THE PROPERTY TO THE CITY FOR PURCHASE AT THE CURRENT \$495,000 ASKING PRICE.

If you have any questions or comments or need additional information, please call me or email me. Thank you for your help and all the best with the City!

Very truly yours,



JOHN A. RANKIN

JAR/bhs

Attachments: None.

pc: Frank Vanderzanden
c/o Rodney Linz

**Vanderzanden Property
Unimproved Commercial Land
North Plains, Oregon**

Prepared For

**Mr. John A. Rankin, Attorney at Law
John A. Rankin LLC
26715 SW Baker Road
Sherwood, Oregon 97140**

Prepared By

**R.P. Herman & Associates LLC
922 NW Joy Avenue
Portland, Oregon 97229**

File 14096

R.P. Herman & Associates LLC
Real Estate Valuation & Consulting Services
922 NW Joy Avenue
Portland, Oregon 97229-5552

Voice: (503) 626.8841

admin@rpherman.com

Mr. John A. Rankin, Attorney at Law
John A. Rankin LLC
26715 SW Baker Road
Sherwood, Oregon 97140

August 1, 2014

Dear Mr. Rankin:

In accordance with your written request, I have completed an appraisal of a 50,000 square foot parcel of unimproved land which is situated approximately six blocks east of North Plains, Oregon Central Business District adjoining the north side of Commercial Street. The purpose of this appraisal assignment is to develop and support a value estimate based upon the hypothetical that the subject property is zoned Highway Commercial (C-2), notwithstanding its current residential zoning and land use entitlement for development as a 15-unit townhouse project. The purpose of the hypothetical value predication is that of establishing a nexus between the intended use and zoning of the property subsequent to a potential purchase by the City of North Plains. The ownership interest being valued is the fee simple estate. The assignment results have been prepared for the exclusive use and benefit of John A Rankin LLC, Attorney at Law. There are no third party beneficiaries. The definition of market value, and report format, are intended to be consistent with the 2014-15 Edition of the Uniform Standards of Professional Appraisal Practice (USPAP).

The legal description of the subject property is the West Half of Lot 4 together with Lots 5 through 12, Block 20, North Plains, Washington County, Oregon. For assessment purposes, it is commonly identified as Tax Lots 3101 and 3102 of Section 1DA, Township 1 North, Range 3 West, Washington County, Oregon.

Based upon my investigation and analysis of relevant market data, the following hypothetical market value estimate has been developed and supported as of July 15, 2014:

Hypothetical Market Value: \$450,000

Mr. John A. Rankin, Attorney at Law
John A. Rankin LLC
Page Two

August 1, 2014

The value opinion expressed, and acceptance of this report, are subject to the previously identified hypothetical as well as various conditions and assumptions that have been identified throughout the report and at its conclusion. The opportunity to be of service is sincerely appreciated.

Respectfully submitted,



Richard P. Herman, MAI, FRICS
Member, R.P. Herman & Associates LLC
Oregon Certified Appraiser C000190
Expiration Date: January 31, 2016
Email Address: rick@rpherman.com
Date of Report: August 1, 2014

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Addenda

- EXHIBIT A:** Appraiser Qualifications
- EXHIBIT B:** Scope of Services Agreement
- EXHIBIT C:** North Plains Zoning Excerpt
- EXHIBIT D:** Assessor Information
- EXHIBIT E:** Ownership Documentation
- EXHIBIT F:** City of North Plains Development Agreement
- EXHIBIT G:** Adverse Impacts Easement and Negative Covenants
- EXHIBIT H:** Residential Use Land Use Documentation
- EXHIBIT I:** Portland Metro Labor Trends (July, 2014)

Executive Summary

Client/Intended User:	Mr. John A. Rankin, Attorney at Law John A. Rankin LLC 26715 SW Baker Road Sherwood, Oregon 97140
Effective Dates:	July 15, 2014 (Hypothetical Market Value Estimate) August 1, 2014 (Date of Report)
Interest Valued:	Fee Simple Title
Assignment Scope:	Develop and support a market value estimate for the subject property based upon the hypothetical that it is zoned Highway Commercial (C-2), notwithstanding its current residential zoning (R-2.5). All relevant valuation methodology is to be utilized.
Report Scope:	Narrative Appraisal Report (2014-15 USPAP)
Methodology:	Sales Comparison Approach
Zoning:	Highway Commercial (C-2)
Market Delineation:	The subject market area can be primarily delineated to the community of North Plains, Oregon and secondarily to competing fringe suburban communities of Washington County including Forest Grove and Banks.
Market Value Estimate:	\$450,000 (Hypothetical)
Market Area Demographics:	The population of the City of North Plains grew approximately 7.3 percent between 2010 and 2013, from 1,947 to 2,089, and is forecasted to increase to 2,311 as of 2018. Similarly, the number of households increased from 706 to 759 and is expected to be approximately 843 by 2018. Its median and average household income were \$58,116 and \$70,624 as of 2013, with both expected to increase to \$71,568 and \$82,818, respectively.
Project Overview:	The subject property is a generally level, rectangularly shaped parcel of unimproved land situated on the north side of Commercial Street which is both a local collector and a couplet providing connectivity between the North Plains Central Business District and Glencoe Road which is a north/south arterial located approximately two blocks east of the subject. It provides connectivity between Commercial Street and Highway

Executive Summary, Cont'd.

Project Overview, Cont'd.:

26 at a recently reconstructed interchange which is located approximately ten blocks south. All adjoining property to the east, west and to the north of an interceding, contiguous rail corridor is zoned Highway Commercial (C-2). It has a width and depth of 500 feet and 100 feet, respectively. To the south of Commercial Street is residential zoning. Surrounding land uses include an older single-family residence and shop building to the east and west, whereas an established residential neighborhood is located to the south of Commercial Street. To the north of the rail corridor is a mix of commercial and residential land uses. The property is fully served in terms of infrastructure with sanitary sewer, storm sewer and water all available within the adjoining right-of-way.

Highest and Best Use:

Based upon the hypothetical that the subject property has commercial zoning, its highest and best use is that of supporting either destination retail or professional office type land uses.

Locational Differentiation:

North Plains is a small, rural berg located immediately north of Highway 26 at the Glencoe Road interchange. The population of the community as of 2013 was 2,089. The primary focus of commercial development has historically been along Glencoe Road between Highway 26 and its intersection with West Union Road which is a principal arterial and commuting route which parallels Highway 26 approximately 1 mile to the north. This is the location of a broad range of retail uses including a restaurant, automobile fueling stations and a McDonald's fast food franchise. Further west is an established residential area, whereas further east along West Union Road are light industrial and commercial land uses such as a storage facility, auto repair and state police headquarters. Highway 26 is a primary commuting route providing access to Highway 217 and the I-5 Freeway systems which are located 12 and 17 miles east, respectively. It also provides direct access to the Portland Central Business District (CBD) which is located roughly 17 miles east. The City of Hillsboro is located approximately 5 miles south which is the Washington County seat and the location of numerous international manufacturing and high-tech firms, including Intel, which is the largest private employer in the State of Oregon. The community of North Plains provides limited shopping and support services to the surrounding area. Primary shopping and support service infrastructure is available

Executive Summary, Cont'd.

Locational Differentiation, Cont'd.: in nearby Hillsboro as well as at the Tansabourne regional shopping mall complex which is situated at the 185th Avenue/Highway 26 interchange approximately 2.5 miles east.

Land Use Entitlements: The subject property was approved for development as a 15-unit townhouse project on May 12, 2007 (SD VAR-07-002). Final approval of the townhouse project was memorialized in a Development Agreement between the property owner and the City of North Plains recorded on May 30, 2008 as Document 2008-049150 which included several conditions of approval. Development of the subject property with commercial zoning may, or may not, result in similar conditioning. A Planning Commission Staff Report dated April 22, 2014 subsequently recommended a two-year extension of those land use entitlements. Copies of the development agreement and extension application have been included in the Addenda.

Ownership History: A current title report was not provided by the client. A review of Washington County assessment records revealed ownership of the subject property being vested in Francis J. Vanderzanden as evidenced by a Bargain and Sale Deed recorded on March 8, 1994 as Document 1994-22439. There was no stated consideration.

Marketing History: A review of Regional Multiple Listing Service (RML) archives did not reveal any attempt to market the subject property through a participating broker during the three-year period preceding the valuation date. However, the property has been passively marketed by means of on-site signage by the property owner's legal counsel. As verified with the client, there has been little interest and no written offers. The marketing effort was based upon the current zoning of the subject property as Residential (R-2.5) and its land use entitlements as a 15-unit townhouse project which has no relevance to its market position with commercial zoning.

Assignment Conditions: There were no assignment conditions that adversely influenced the reliability of the value estimate reported herein.

Executive Summary, Cont'd.

Extraordinary Valuation Assumptions: An extraordinary valuation assumption is one directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. The value estimate reported herein has been conditioned upon the following extraordinary valuation assumptions:

- It has been assumed that an adverse impacts easement and negative covenants recorded on May 1, 2006 (2006-059765) can be rescinded if the subject zoning were to become commercial. For purposes of this analysis, it has been disregarded inasmuch as it is specific to the existing residential zoning.

Hypothetical Conditions: A hypothetical condition is a value predication that is known to be contrary to fact. Based upon information provided by the client, the City of North Plains has expressed an interest in potentially acquiring the subject property and affecting a re-zone to Highway Commercial (C-2) which is consistent with surrounding properties and what would have otherwise have been its comprehensive plan zoning were it not for the 2007 townhouse project approval. In order to establish a nexus between the intended use and zoning of the property by the city and market value, the value opinion reported herein has been based upon the hypothetical that the subject is zoned Highway Commercial (C-2) for purposes of reasonable analysis.

Preliminary Data

Subject Property Overview

The subject property is a generally level, rectangularly shaped parcel of unimproved land situated on the north side of Commercial Street which is both a local collector and a couplet providing connectivity between the North Plains Central Business District and Glencoe Road which is a north/south arterial located approximately two blocks east of the subject. It provides connectivity between Commercial Street and Highway 26 at a recently reconstructed interchange which is located approximately ten blocks south. All adjoining property to the east, west and to the north of an interceding, contiguous rail corridor is zoned Highway Commercial (C-2). It has a width and depth of 500 feet and 100 feet, respectively. To the south of Commercial Street is residential zoning. Surrounding land uses include an older single-family residence and shop building to the east and west, whereas an established residential neighborhood is located to the south of Commercial Street. To the north of the rail corridor is a mix of commercial and residential land uses. The property is fully served in terms of infrastructure with sanitary sewer, storm sewer and water all available within the adjoining right-of-way. Based upon the hypothetical that the subject property has commercial zoning, its highest and best use is that of supporting either destination retail or professional office type land uses.

North Plains is a small, rural burg located immediately north of Highway 26 at the Glencoe Road interchange. The population of the community as of 2013 was 2,089. The primary focus of commercial development has historically been along Glencoe Road between Highway 26 and its intersection with West Union Road which is a principal arterial and commuting route which parallels Highway 26 approximately 1 mile to the north. This is the location of a broad range of retail uses including a restaurant, automobile fueling stations and a McDonald's fast food franchise. Further west is an established residential area, whereas further east along West Union Road are light industrial and commercial land uses such as a storage facility, auto repair and state police headquarters. Highway 26 is a primary commuting route providing access to Highway 217 and the I-5 Freeway systems which are located 12 and 17 miles east, respectively. It also provides direct access to the Portland Central Business District (CBD) which is located roughly 17 miles east. The City of Hillsboro is located approximately 5 miles south which is the Washington County seat and the location of numerous international manufacturing and high-tech firms, including Intel, which is the largest private employer in the State of Oregon. The community of North Plains provides limited shopping and support services to the surrounding area. Primary shopping and support service infrastructure is available in nearby Hillsboro as well as at the Tansbourne regional shopping mall complex which is situated at the 185th Avenue/Highway 26 interchange approximately 2.5 miles east.

Land Use Entitlements

The subject property was approved for development as a 15-unit townhouse project on May 12, 2007 (SD VAR-07-002). Final approval of the townhouse project was memorialized in a Development Agreement between the property owner and the City of North Plains recorded

Preliminary Data, Cont'd.

on May 30, 2008 as Document 2008-049150 which included several conditions of approval. Development of the subject property with commercial zoning may, or may not, result in similar conditioning. A Planning Commission Staff Report dated April 22, 2014 subsequently recommended a two-year extension of those land use entitlements. Copies of the development agreement and extension application have been included in the Addenda.

Legal Description

The legal description of the subject property is the West Half of Lot 4 together with Lots 5 through 12, Block 20, North Plains, Washington County, Oregon. For assessment purposes, it is commonly identified as Tax Lots 3101 and 3102 of Section 1DA, Township 1 North, Range 3 West, Washington County, Oregon.

Purpose and Intended Use of the Appraisal

The purpose of this appraisal assignment is to develop and support a value estimate based upon the hypothetical that the subject property is zoned Highway Commercial (C-2), notwithstanding its current residential zoning and land use entitlement for development as a 15-unit townhouse project. The purpose of the hypothetical value predication is that of establishing a nexus between the intended use and zoning of the property subsequent to a potential purchase by the City of North Plains. The intended use of the assignment results is to support potential sale negotiations.

Ownership Rights

The property rights appraised represent the fee simple title.

Client/Intended Beneficiary

This appraisal report has been prepared for the exclusive use and benefit of John A. Rankin LLC, Attorney at Law. There are no third party beneficiaries. The appraisal report may not be used or relied upon by any other person or entity, for any purpose whatsoever, without the express written consent of the appraiser. This report cannot be relied upon without the letter of transmittal, executive summary as well as the attached assumptions and limiting conditions.

Scope of Assignment/Appraisal Problem

The scope of services to be provided has been defined in an engagement agreement dated June 24, 2014, a copy of which has been included in the Addenda. The report format is intended to be consistent with that of a narrative appraisal report as defined in the 2014-15 Edition of the *Uniform Standards of Professional Appraisal Practice* (USPAP). The assignment results are also intended to be in compliance with the current edition of USPAP. The **appraisal problem** to be solved is that of developing a market value estimate for the subject property based upon the hypothetical that it is zoned Highway Commercial (C-2).

Preliminary Data, Cont'd.

The **scope of inspection** included an unrestricted viewing of the subject property. The **scope of research** included the identification, verification and analysis of relevant commercial land purchases. The **scope of research resource** available to develop this market data included the Regional Multiple Listing Service, CoStar, First American Title Real Estate Solutions Information Systems, County Assessor sale data, and interviews with brokers. The **geographic scope** of research primarily focused upon the City of North Plains. However, as a result of extremely limited commercial land sale market activity, the geographic scope was necessarily expanded to that of other smaller, suburban fringe communities of Washington County including the Cities of Banks and Forest Grove.

The **scope of comparable sale verification** included a conversation with a party to the transaction as specifically identified in the market data summary charts presented herein. The comparables cited herein should be construed as being a relevant sampling which was selected based upon physical and locational similarity relative to the property under appraisal and/or the credibility of the data. While many of the verifying parties were generally candid, some were not. Much of the additional information requested by the appraiser is not a matter of public record, thus it can be obtained only from these parties and typically cannot be crosschecked against other sources. Thus, the physical and transactional data derived from these interviews are assumed to be accurate. The quality and extent of the verification process should be carefully considered by the reader/client when forming an opinion as to the credibility of the individual comparables, as well as the cumulative database. The manner in which the verifying party is interviewed and the substance of the questions asked may, in some instances, result in conflicting information; independent verification of the data by the client is encouraged so that a full understanding of each comparable can be developed.

Dates of Significance

The hypothetical market value estimates reported herein relates to an effective date of July 15, 2014. The date of report is August 1, 2014. The appraiser makes no statements, warranties, or representations, either expressed or implied, with respect to the future value of the subject property. The real estate market is dynamic and affected by a wide range of social, economic, physical and legal influences, the most profound of which are interest rates, job formation, employment levels and consumer confidence. Over the past decade, all of these measures of economic activity have demonstrated a general lack of consistency, both positive and negative, depending upon geographic location. Thus, the value estimate, of necessity, reflects market dynamics as of this particular point in time; future circumstances may result in increasing or decreasing values.

Market Exposure Period Estimate

Reasonable marketing time is one of a series of conditions of the market value definition. Exposure time is always presumed to precede the effective date of the appraisal and is defined as the estimated length of time the property interest being appraised would have to be

Preliminary Data, Cont'd.

offered on the market prior to the hypothetical consummation of a sale at market value as of the effective date; a retrospective estimate is based upon an analysis of past events assuming a competitive and open market. It is important to note that the concept of reasonable exposure encompasses adequate, sufficient and reasonable time, as well as effort. The exposure period is a function of price, time and use, and is not an isolated estimate of time alone. The term "*effective exposure time*" applies to circumstances wherein a property may be overpriced or under marketed. Similarly, exposure time is different for various types of real estate and under various market conditions. Based upon the comparable sales utilized to develop the hypothetical market value estimate, a market exposure period of up to two (2) years has been estimated assuming a professional marketing effort.

Data Availability

All information utilized in the development of the value estimate reported herein has been independently developed by the appraiser utilizing sources that are believed to be reliable. No information was provided by the client or borrower.

Ownership History

A current title report was not provided by the client. A review of Washington County assessment records revealed ownership of the subject property being vested in Francis J. Vanderzanden as evidenced by a Bargain and Sale Deed recorded on March 8, 1994 as Document 1994-22439. There was no stated consideration.

Marketing History

A review of Regional Multiple Listing Service (RML) archives did not reveal any attempt to market the subject property through a participating broker during the three-year period preceding the valuation date. However, the property has been passively marketed by means of on-site signage by the property owner's legal counsel. As verified with the client, there has been little interest and no written offers. The marketing effort was based upon the current zoning of the subject property as Residential (R-2.5) and its land use entitlements as a 15-unit townhouse project which has no relevance to its market position with commercial zoning.

Extraordinary Valuation Assumptions

An extraordinary valuation assumption is one directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. The value estimate reported herein has been conditioned upon the following extraordinary valuation assumptions:

- It has been assumed that an adverse impacts easement and negative covenants recorded on May 1, 2006 (2006-059765) can be rescinded if the subject zoning were to become commercial. For purposes of this analysis, it has been disregarded inasmuch as it is specific to the existing residential zoning.

Preliminary Data, Cont'd.

Assignment Conditions

There were no assignment conditions that adversely influenced the reliability of the value estimate reported herein.

Hypothetical Conditions

A hypothetical condition is a value predication that is known to be contrary to fact. Based upon information provided by the client, the City of North Plains has expressed an interest in potentially acquiring the subject property and affecting a re-zone to Highway Commercial (C-2) which is consistent with surrounding properties and what would have otherwise have been its comprehensive plan zoning were it not for the 2007 townhouse project approval. In order to establish a nexus between the intended use and zoning of the property by the city and market value, the value opinion reported herein has been based upon the hypothetical that the subject is zoned Highway Commercial (C-2) for purposes of reasonable analysis.

Relevant Definitions

The following definitions cited in the *Dictionary of Real Estate Appraisal* published by the Appraisal Institute (2010) and the 2014-15 edition of USPAP are relevant to this assignment and report:

Fee Simple Title

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.

Hypothetical Condition

That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

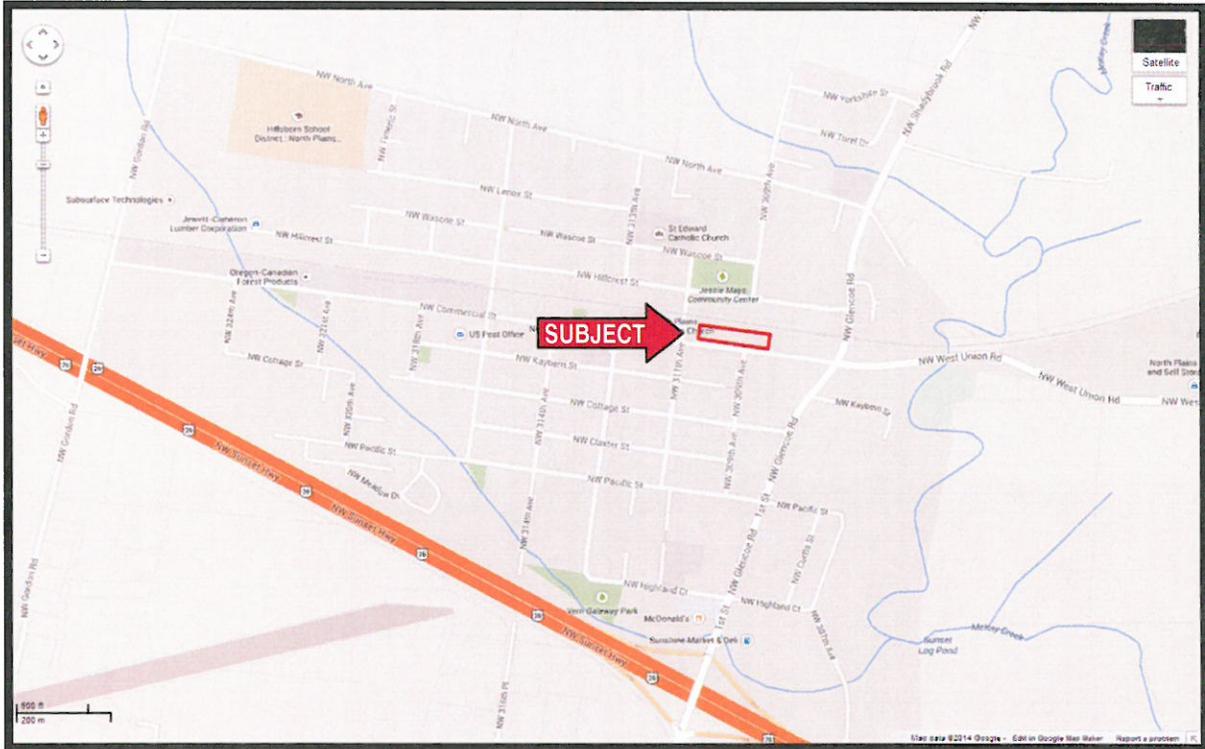
- *Buyer and seller are typically motivated;*
- *Both parties are well informed or well advised, and acting in what they consider their best interests;*

Preliminary Data, Cont'd.

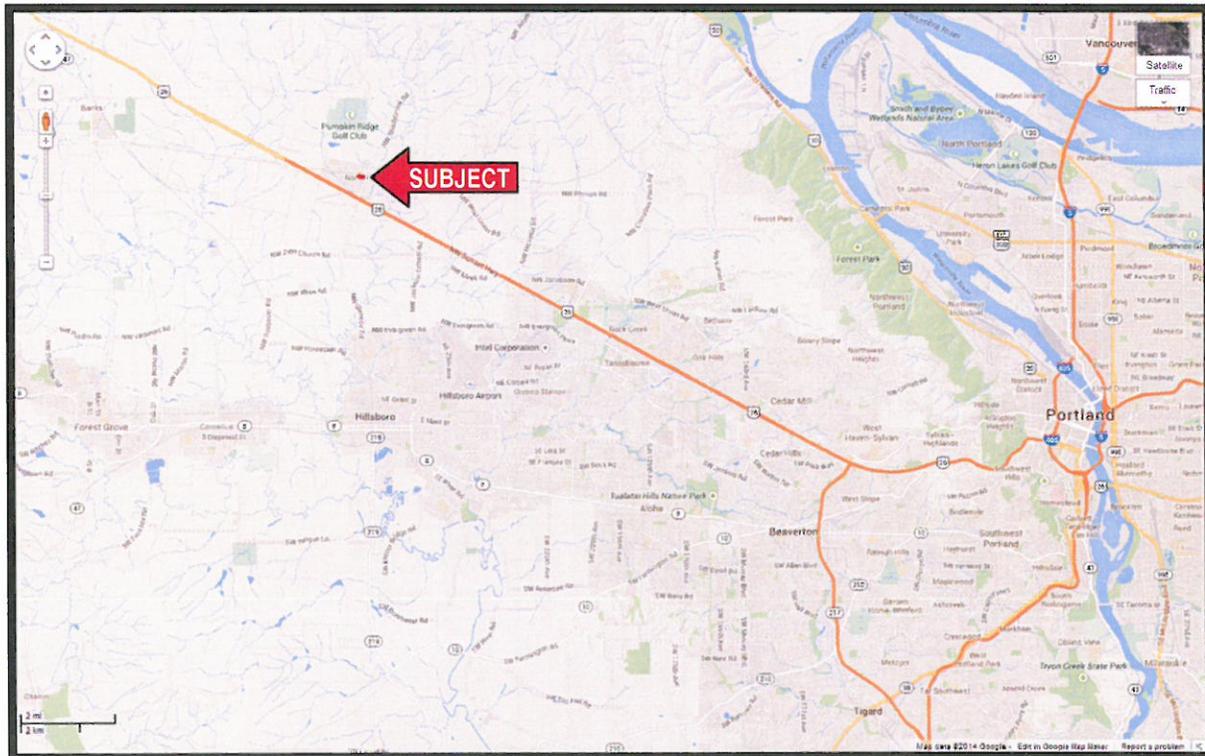
- *A reasonable time is allowed for exposure in the open market;*
- *Payment is made in terms of cash or U.S. dollars or in terms of financial arrangements comparable thereto; and*
- *The price represents the normal consideration for property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*

Appraisal Report Transmittal and Acceptance

All persons and firms reviewing, utilizing or relying on this report in any manner bind themselves to accept all attached restrictions, certifications, assumptions, and limiting conditions. Do not use this report if you do not so accept. These conditions are a part of the appraisal report; they are a preface to any certification, definition, fact or analysis and are intended to establish as a matter of record that the function of this appraisal is to provide an estimate of present market value for the subject property based upon the appraiser's observations. This appraisal report is an economic study to estimate market value as defined herein. An appraisal is not an engineering report, survey, or environmental assessment; expertise in these areas, among others, is not implied.



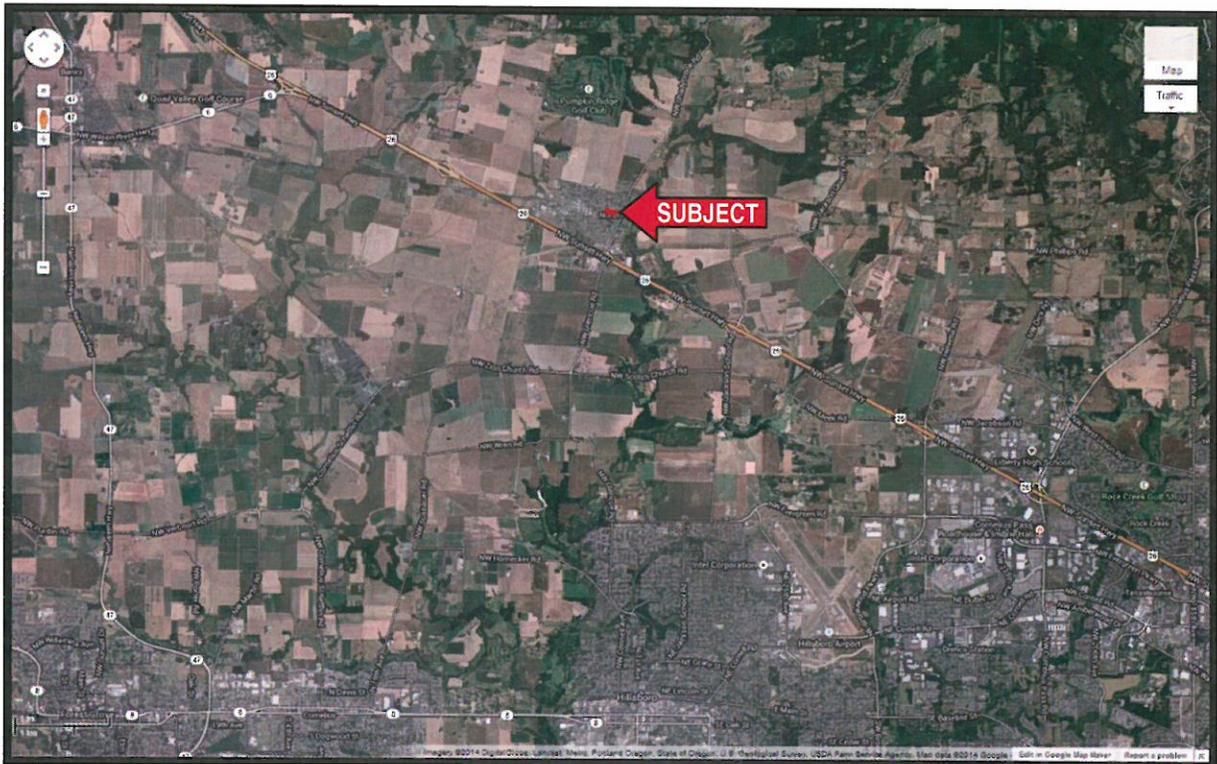
City of North Plains Location Map



Metropolitan Location Map



Detail Aerial Photograph



Regional Aerial Photograph

Economic and Locational Analysis

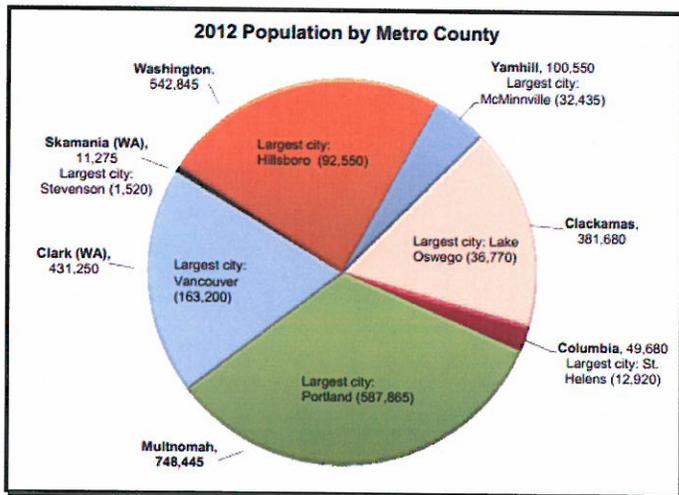
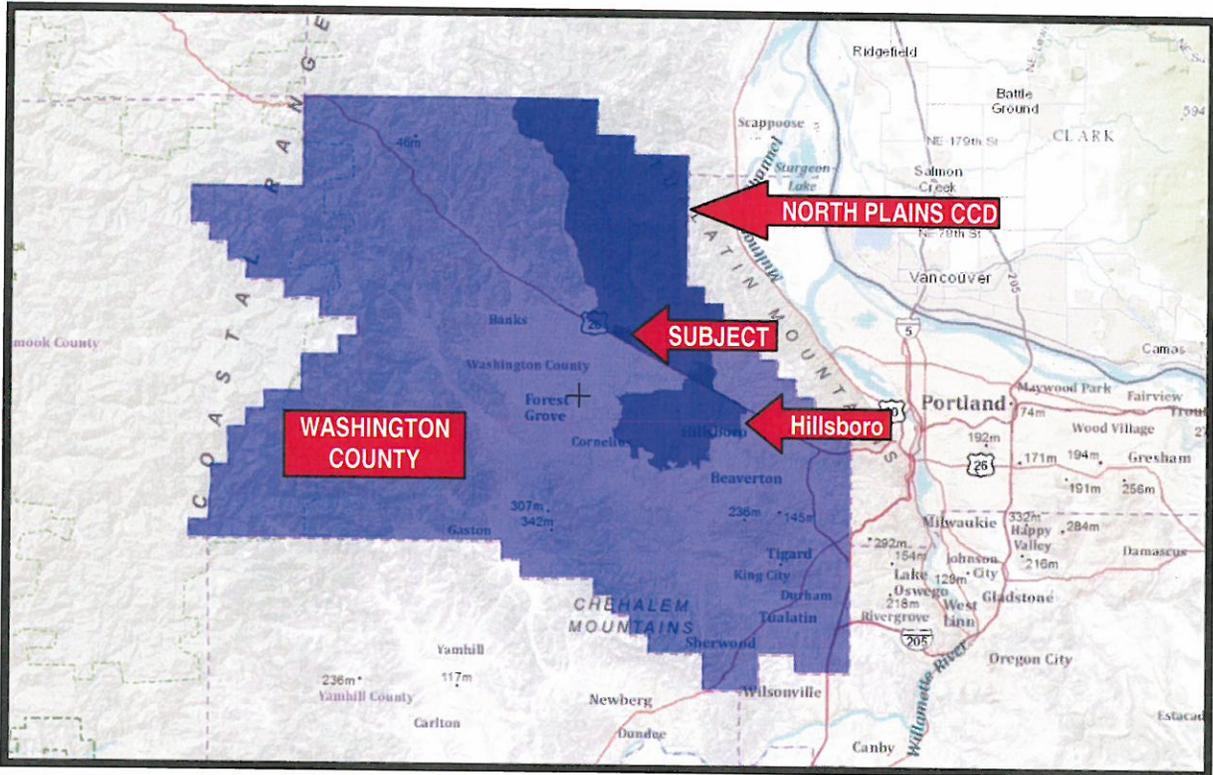
North Plains is a small, rural berg located immediately north of Highway 26 at the Glencoe Road interchange. The population of the community as of 2013 was 2,089. The primary focus of commercial development has historically been along Glencoe Road between Highway 26 and its intersection with West Union Road which is a principal arterial and commuting route which parallels Highway 26 approximately 1 mile to the north. This is the location of a broad range of retail uses including a restaurant, automobile fueling stations and a McDonald's fast food franchise. Further west is an established residential area, whereas further east along West Union Road are light industrial and commercial land uses such as a storage facility, auto repair and state police headquarters. Highway 26 is a primary commuting route providing access to Highway 217 and the I-5 Freeway systems which are located 12 and 17 miles east, respectively. It also provides direct access to the Portland Central Business District (CBD) which is located roughly 17 miles east. The City of Hillsboro is located approximately 5 miles south which is the Washington County seat and the location of numerous international manufacturing and high-tech firms, including Intel, which is the largest private employer in the State of Oregon. The community of North Plains provides limited shopping and support services to the surrounding area. Primary shopping and support service infrastructure is available in nearby Hillsboro as well as at the Tansabourne regional shopping mall complex which is situated at the 185th Avenue/Highway 26 interchange approximately 2.5 miles east.

According to ESRI/Infogroup statistical data, the population of the City of North Plains grew approximately 7.3 percent between 2010 and 2013, from 1,947 to 2,089, and is forecasted to increase to 2,311 as of 2018. Similarly, the number of households increased from 706 to 759 and is expected to be approximately 843 by 2018. Its median and average household income were \$58,116 and \$70,624 as of 2013, with both expected to increase to \$71,568 and \$82,818, respectively. The population of nearby Hillsboro, which is the second largest population center of Washington County, as well as the county seat, increased from 91,611 to 93,985 between 2010 and 2013 with the number of households increasing from 33,289 to 34,293. By 2018 the population and number of households are expected to be approximately 99,305 and 36,352, respectively. Median and average household income in Hillsboro as of 2013 were \$55,252 and \$70,247, and by 2018 are projected to be \$68,609 and \$81,145, respectively.

Demographic and Income Profile									
	North Plains City			North Plains CCD			Hillsboro		
	2010	2013	2018	2010	2013	2018	2010	2013	2018
Population	1,947	2,089	2,311	4,800	4,984	5,335	91,611	93,985	99,305
Households	706	759	843	1,789	1,862	1,995	33,289	34,293	36,352
Average HH Size	2.75	2.74	2.73	2.68	2.67	2.67	2.71	2.70	2.69
Median HH Income	---	\$58,116	\$71,568	---	\$72,646	\$85,857	---	\$55,252	\$68,609
Average HH Income	---	\$70,624	\$82,818	---	\$104,321	\$129,476	---	\$70,247	\$81,145
Per Capita Income	---	\$26,286	\$30,950	---	\$39,008	\$48,449	---	\$25,993	\$30,057

Source: Census Bureau 2010 Summary File 1, ESRI forecasts for 2013 and 2018.

Economic and Locational Analysis, Cont'd.



Of the six counties encompassing the Portland metro area, Clark County, Washington reflected the second highest population as of 2012. According to the January, 2013 of the *Portland Metro Labor Trends* report published by the Oregon Employment Department, “The seven-county area added 20,325 residents in 2012... far fewer than the years prior to the recession when the metro area gained about 35,000 new residents annually. The Oregon portion of the metro area

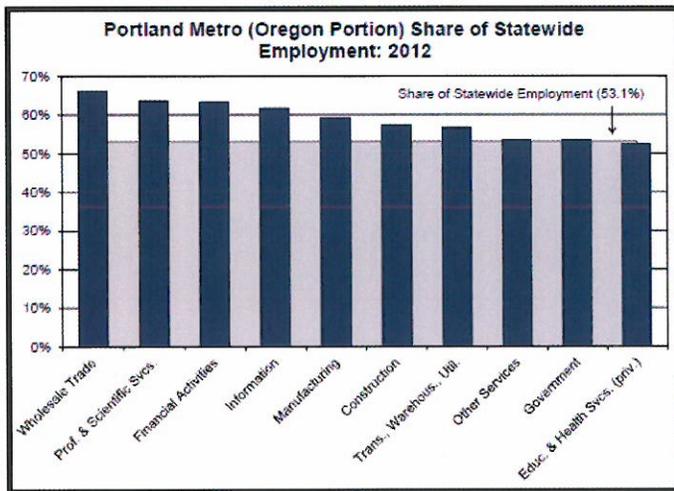
(five-county) grew by nearly 17,000 people, to 1,823,200; almost half (46.9%) of Oregon’s total population. While all seven counties in the Portland metro area gained population in 2012, nearly two-thirds of growth occurred in just two of its largest counties: Multnomah and Washington. They each gained about 6,500 new residents.” The City of Portland accounted for 15 percent of Oregon’s population, roughly 27 percent of the Portland metro area (seven counties) and 78.5 percent of Multnomah County alone.

As reflected in the February, 2014 edition of the report, “Portland city businesses accounted for 387,000 jobs in 2012 (24.3% of statewide) and paid out \$19.8 billion in wages (27.7% of statewide). The jobless rate topped 11 percent in the summer of 2009 and has since come

Economic and Locational Analysis, Cont'd.

down to 6.8 percent (2013), lower than the rest of the state (8.0%) and nation (7.4%).” Consequently, the demographic and economic trends of the State of Oregon are largely defined by and follow that of the Portland metro area. As reflected in the January, 2014 *Labor Trends*, the Oregon portion of the metro area accounted for 47 percent (1,800,000) of the state’s population, 53 percent (875,700) of the state’s jobs and 61 percent (\$44.3 billion) of statewide payroll during 2012.

According to the January, 2014 edition, the metro area has lower unemployment than the state and nation and “was not hit quite as hard by the recession as the rest of the state. It lost 7.9 percent of its employment base during the Great Recession. The balance-of-state lost roughly 9.0 percent... Roughly three-quarters of Oregon’s job growth since the end of the recession has occurred in the Portland metro area (five counties).” The average annual wage page by metro area employers was \$49,914 in 2012, or \$23.44 per hour. This was \$13,075 (35.5%) more than the rest of the state which reflected an average hourly wage of \$21.75. “The metro area has proportionately more jobs in manufacturing, professional and business services, and financial activities compared to the rest of Oregon. Manufacturing’s relative dominance in the metro area is due largely to high tech and metals. Professional and business services (which includes engineering, legal, accounting, management of companies) and financial activities are industries that are more likely to locate in urban areas, as is the case for Portland. The region is less concentrated in government, natural resources, private health services, retail trade, accommodation hospitality, and food and wood products manufacturing.



The Portland metro area is dominated by the “tri-county” area of Clackamas, Multnomah and Washington Counties. According to the February, 2014 edition of the *Labor Trends* report, Clackamas County was hit harder by and slower to recover from the “Great Recession”. “The Portland metropolitan area is a 7-county region for a reason: people regularly commute between these counties for jobs. In fact, about half of Clackamas County’s residents cross county lines

every morning for work, the majority traveling to Multnomah County. In other words, the 7-county area is a single labor shed... Preliminary estimates indicate that Clackamas County has added back about 4,800 jobs since bottoming out in 2010, or about one-third of recessionary losses. Meanwhile, neighboring Multnomah and Washington counties have made a full jobs recovery, and then some. Employment is about 7,000 jobs above pre-recession peaks.”

Economic and Locational Analysis, Cont'd.

Washington County employment has prospered with Hillsboro becoming firmly established as a home for high tech corporations. The largest employer in the state, Intel, has been expanding with its latest plant, D1X, creating thousands of construction jobs folled by hundreds of manufacturing jobs. “Manufacturing jobs tend to have a strong multiplier effect: one new job creates an additional one or two jobs elsewhere in the economy.” In addition, population growth tends to spur job growth and Washington County added 21,300 new residents between 2010 and 2013, more than any other county in the state. Multnomah County, which added nearly as many residents as Washington County, is a popular location for “software and computer design-related industries which have been growing rapidly throughout the recovery. In particular, computer design is thriving in Multnomah County – many companies choose to locate in downtown Portland in part because it’s attractive to their workers. These are high-paying jobs, so there’s an added benefit of more money being pumped into the economy and spurring additional job growth.”

As reported in the current edition of the *Portland Metro Labor Trends* published by the Oregon Employment Department (July, 2014), “The Portland metro area’s seasonally adjusted unemployment rate was unchanged at 6.3 percent in May and down from May 2013 (7.3%). An estimated 71,400 area residents were unemployed and looking for work, 11,900 fewer than one year earlier.

Portland Metro Labor Force and Industry Employment Summary			
Labor Force Status	May, 2014	Change From	
		April, 2014	May, 2013
Civilian Labor Force	1,927,152	13,964	6,256
Total Employed	1,799,703	17,497	22,713
Unemployment	127,449	-3,533	-16,457
Unemployment Rate, seasonally adjusted	6.9%	0.1%	-0.9%
Nonfarm Payroll Employment	May, 2014	April, 2014	May, 2013
Mining and logging	7,800	300	200
Construction	79,300	700	5,700
Manufacturing	178,300	1,500	4,900
Trade, Transportation, Utilities	321,700	3,000	6,200
Information	33,100	400	1,100
Financial Activities	91,900	1,000	500
Professional and Business Services	214,400	-1,200	6,900
Educational and Health Services	249,700	-1,600	6,300
Leisure and Hospitality	183,600	5,200	6,000
Other Services	59,800	1,300	1,200
Total Private	1,419,600	10,600	39,000
Government	302,000	3,500	3,200
Total Nonfarm	1,721,600	14,100	42,200

Source: Portland Metro Labor Trends-July, 2014

May’s rate is the lowest since August 2008, when it was 6.1 percent. Oregon’s unemployment rate was 6.9 percent in May and the national rate held steady at 6.3 percent.

Economic and Locational Analysis, Cont'd.

Preliminary estimates from the federal Bureau of Labor Statistics show that the metro area added 1,000 jobs (seasonally adjusted) in May following a gain of 4,700 jobs in April. Despite May's relatively small gain, the recovery remains strong: monthly job growth has averaged nearly 3,000 jobs since the start of the year, and 2,500 during the past 12 months."

In summary, the subject location can be primarily differentiated from that of other areas of unincorporated Washington County by its small community rural environment yet convenient access to a broad range of shopping and employment resources located in the nearby Cities of Hillsboro and Beaverton. Commuting is facilitated by ease of access to Highway 26. There are no adverse locational influences.

Subject Property Description

Subject Project Overview

The subject property is a generally level, rectangularly shaped parcel of unimproved land situated on the north side of Commercial Street which is both a local collector and a couplet providing connectivity between the North Plains Central Business District and Glencoe Road which is a north/south arterial located approximately two blocks east of the subject. It provides connectivity between Commercial Street and Highway 26 at a recently reconstructed interchange which is located approximately ten blocks south. All adjoining property to the east, west and to the north of an interceding, contiguous rail corridor is zoned Highway Commercial (C-2). It has a width and depth of 500 feet and 100 feet, respectively. To the south of Commercial Street is residential zoning. Surrounding land uses include an older single-family residence and shop building to the east and west, whereas an established residential neighborhood is located to the south of Commercial Street. To the north of the rail corridor is a mix of commercial and residential land uses. The property is fully served in terms of infrastructure with sanitary sewer, storm sewer and water all available within the adjoining right-of-way. Based upon the hypothetical that the subject property has commercial zoning, its highest and best use is that of supporting either destination retail or professional office type land uses.

Land Use Entitlements

The subject property was approved for development as a 15-unit townhouse project on May 12, 2007 (SD VAR-07-002). Final approval of the townhouse project was memorialized in a Development Agreement between the property owner and the City of North Plains recorded on May 30, 2008 as Document 2008-049150 which included several conditions of approval. Development of the subject property with commercial zoning may, or may not, result in similar conditioning. A Planning Commission Staff Report dated April 22, 2014 subsequently recommended a two-year extension of those land use entitlements. Copies of the development agreement and extension application have been included in the Addenda.

Zoning

The subject property is currently zoned R-2.5 which primarily accommodates multifamily housing. The value opinion reported herein has been based upon the hypothetical that the subject property is zoned Highway Commercial (C-2). Examples of uses permitted on an outright basis in this zone include planned unit development, home occupation, alcoholic beverage establishments, indoor amusement enterprise, animal care facility, medical and dental clinics, drive-in, dry cleaning establishment, fuel sales, hotels/motels, office/business, restaurants, retail sales and service, self storage and vehicle sales. There is also a broader range of conditional uses. The minimum lot size requirement is 5,000 square feet, whereas the minimum lot width is 50 feet. The minimum front, side and rear yard setback requirements are 20 feet, 10 feet and 10 feet, respectively. The maximum allowable structure height is 45 feet. Off-street parking and loading accommodations are also required. A copy of the zoning excerpt has been included in the report Addenda.

Subject Property Description, Cont'd.

Topography

Overall, the subject property exhibits generally level topography and is essentially at grade with NW Commercial Street which forms its southerly property boundary. It is also essentially at grade with adjoining properties to the east and west as well as an abandoned rail corridor which adjoins to the north.

Infrastructure Resources

As verified with the City of North Plains Public Works Department, a water line is currently located within the Commercial Street right-of-way. There is also a sanitary sewer line and storm sewer available. Emergency services will be provided by the City of North Plains and Tualatin Valley Fire & Rescue. Electricity and natural gas will be provided by Portland General Electric and NW Natural Gas, whereas Comcast will provide cable television and telecommunications. Garbage and refuse collection will be provided by Garbarino.

Property Taxes and Assessments

The following tabulation provides a summary of the subject property real market value (RMV), as determined by the Washington County Assessor, along with its assessed value and corresponding property tax levy for the 2013/14 fiscal year:

2013-2014 Tax Summary							
Tax Lot	Parcel	Acres	Real Market Value (RMV)			Assessed Value	Taxes
			Land	Improvement	Total		
3101	R730267	0.23	\$98,280	----	\$98,280	\$23,660	\$359.38
3102	R730276	0.92	\$361,440	----	\$361,440	\$94,940	\$1,442.09
Totals	(2)	1.15	\$459,720	\$0	\$459,720	\$118,600	\$1,801.47

Accessibility and Connectivity

The subject property has approximately 500 lineal feet of frontage along the north side of NW Commercial Street which is a fully improved local collector consisting of asphalt surfaced bi-directional travel lanes together with curbing and intermittent sidewalks on the south side residing with an 80-foot right-of-way. There is no curbing or sidewalk along the subject frontage. Access to the subject property has been established near the westerly extreme of its frontage in the form of a gravel surfaced driveway. Commercial Street intersects with NW Glencoe Road approximately two blocks east which provides direct connectivity to nearby Highway 26 at a recently reconstructed interchange which is located approximately eight blocks south. Commercial Street provides direct connectivity between Glencoe Road, West Union Road and the North Plains Central Business District which is situated roughly six blocks west. The nearest traffic control is a four-way stop at the Glencoe Road/Commercial Street intersection.

Subject Property Description, Cont'd.

Flood Hazard Area

Based upon a review of the most recent Flood Insurance Rate Map (FIRM Panel 41027C 0001B; March 16, 1989) indicates that the subject property is located within FEMA Zone X which is an area of minimal flood hazard.

Surrounding Land Use

Adjoining the subject property to the east is a +/- 30,000 square foot commercially zoned site improved with an older single-family residence. Adjoining to the west is a 10,000 square foot commercially zoned site that is improved with a small shop building. To the north is a rail corridor, beyond which is a mix of commercial and residential land uses. Across NW Commercial Street to the south is an established residential neighborhood. A variety of commercial uses are located along nearby Glencoe Road between Commercial Street and Highway 26 including a restaurant, resale store, automobile repair, convenience store/fueling stations and a McDonald's fast food restaurant.

Easements/Encroachments

A current title report and survey are recommended. An Adverse Impacts Easement and Negative Covenants were recorded on May 19, 2006 as Document 2006-059765, wherein the owner of the adjoining "Garbarino Property" agreed to waive "any right to object to the uses allowed in the R-2.5 zoning designation" and all claims arising from the proposed townhouse project development. The subject property owner allowed the Garbarino property "the right to use and develop all or any part of the Garbarino Property in any manner not expressly prohibited by applicable laws and regulations..." including but not limited to adverse impacts including truck storage and dispatch, security lighting, truck repair shop and odor that was identified as Exhibit C. A copy of the document has been included in the Addenda. The impact of this agreement has been disregarded for purposes of this analysis which is based upon the hypothetical condition that the subject is commercially zoned. An inspection of the subject property did not reveal any obvious encroachments. A current title report and survey are strongly recommended.

Soil Conditions

The appraiser was not provided with a soils engineering study. It has therefore been assumed that there are no adverse soil conditions and that the compaction capacity of the subject site is adequate to support all permitted land uses.

Environmental Issues

The appraiser was not provided with an environmental assessment of the subject site. It has therefore been specifically assumed that there are no recognized adverse environmental conditions. A review of the State of Oregon Environmental Protection Agency Registered Event website did not reveal any activity relating to the subject property.

Subject Property Description, Cont'd.

Highest and Best Use

The highest and best legal use of the subject property has been defined by the hypothetical upon which the value estimate reported herein has been predicated, that being Highway Commercial (C-2) zoning. The purpose of this zone is to accommodate a broad range of non-residential land uses which include both office and retail. The subject meets the minimum lot area requirement of 5,000 square feet, as well as the minimum width requirement of 50 feet. As a result of its considerable frontage (500 feet) and competitive depth (100 feet), as well as it already being platted into eight (8) lots, it has the ability to support more than one commercial site. While it is favorably located relative to transportation infrastructure and the North Plains CBD, it does not have the level of exposure needed to support intensive retail land uses which have historically migrated to the section of NW Glencoe Road between Commercial Street and Highway 26. It is therefore more suitable for development with a non-exposure dependent land use such as a specialty eating establishment, professional offices, medical/dental clinic or some form of destination type specialty retail. It is unlikely that there is sufficient demand to support mixed or planned unit residential development due to the market dominance of detached housing. All infrastructure needed to support development is available and contiguous. Development conditioning will most likely focus upon half-street improvements along the Commercial Street frontage.

SUBJECT PHOTOGRAPHS



Northwesterly view of subject property from its southeast corner



Easterly street scene along NW Commercial Street (subject left)

SUBJECT PHOTOGRAPHS



Northeasterly view of subject property from its southwest corner



Northerly view of adjoining rail corridor and commercial land use further north

SUBJECT PHOTOGRAPHS



Southerly view of adjoining residential area located south of Commercial Street



Southeasterly view of subject property from its northwest corner

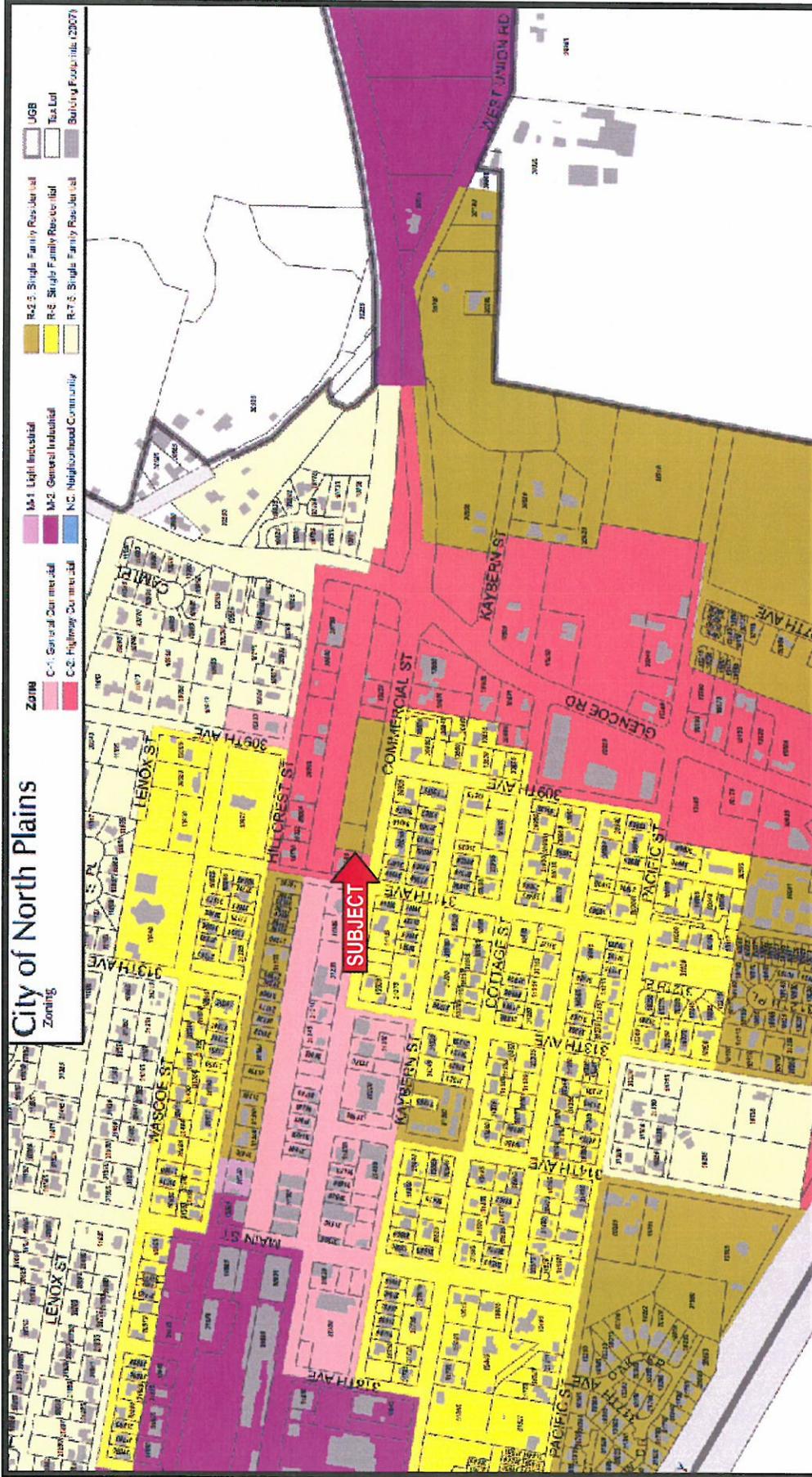
SUBJECT PHOTOGRAPHS



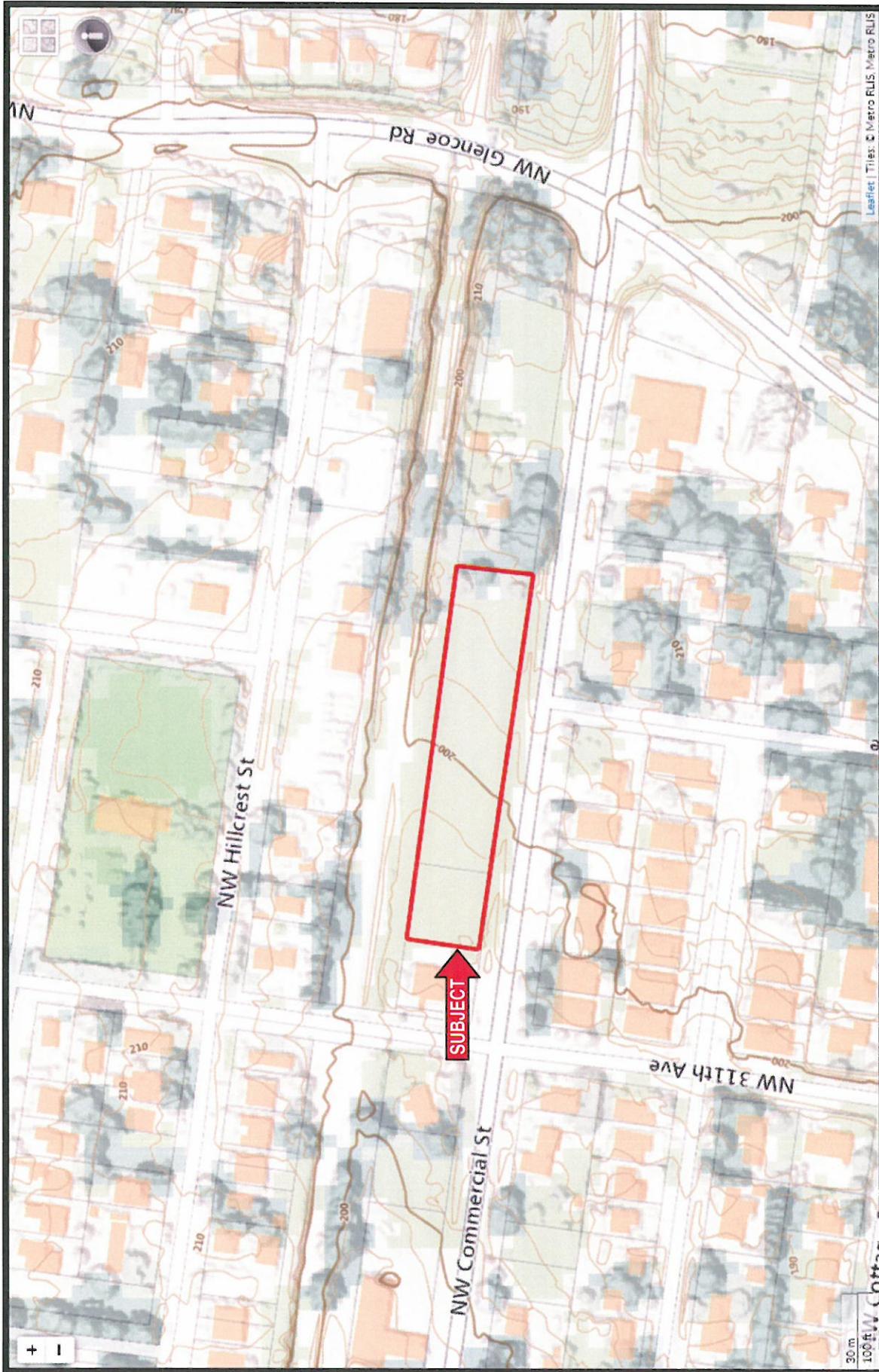
Easterly view of subject property with the adjoining abandoned rail corridor to the left



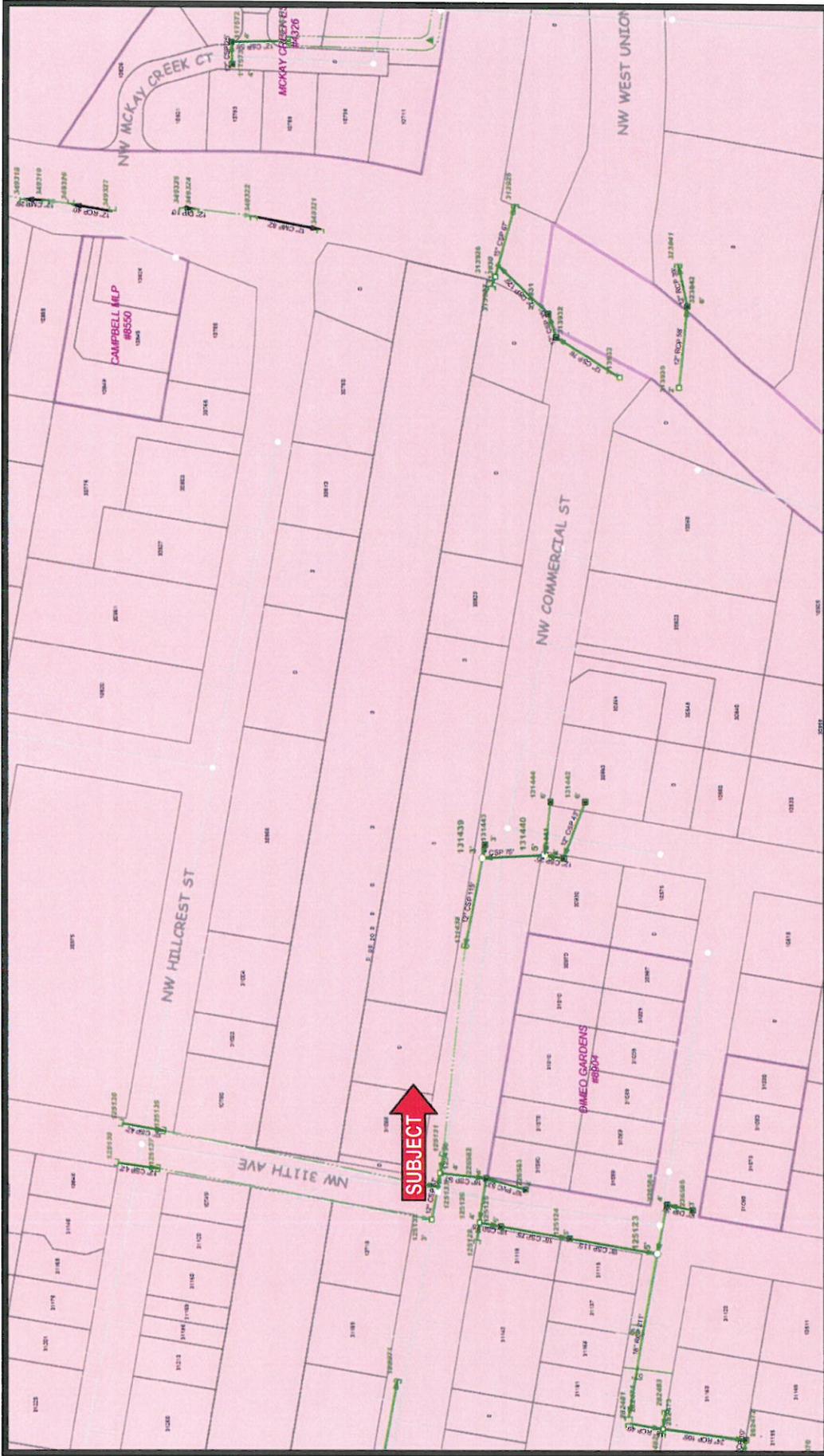
Easterly view of subject property



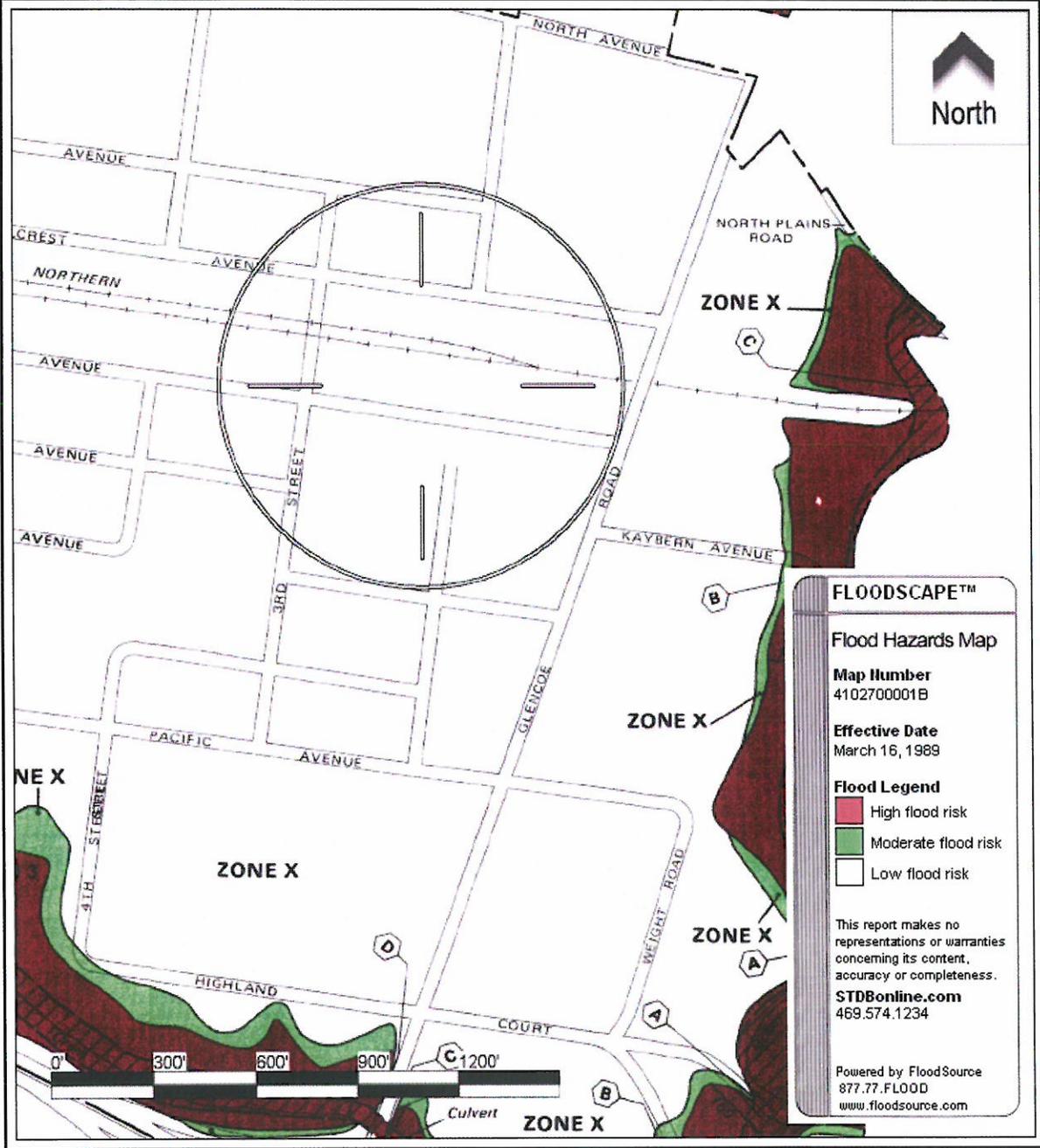
City of North Plains Zoning Map



Contour Map



Storm Sewer Map



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Flood Zone Map

Land Valuation

Consistent with the scope of this assignment, a market value estimate for the subject property is to be developed and supported based upon the hypothetical that it is zoned Highway Commercial (C-2). To that end, a diligent investigation of the marketplace was conducted and sales of commercially zoned unimproved land investigated which could be compared to the subject property in order to support the market value opinion. As a result of the subject small community location and limited market activity, the geographic scope of search was necessarily expanded to other smaller, peripheral communities of Washington County such as Banks and Forest Grove. Of the total investigated, the following market comparisons were considered to be the most meaningful and relevant.

The first comparable is located near the easterly fringe of Forest Grove approximately two blocks north of N. Adair Street which is the intra-urban westbound segment of the Tualatin Valley Highway. A recently completed Walmart Superstore is located approximately two blocks east. Immediately surrounding land uses include an automobile dealership, industrial building and manufactured home park. An O'Reilly Auto Parts store adjoins to the south. The site exhibits level



topography and is essentially square in shape. It has approximately 300 lineal feet of frontage along the east side of Yew Avenue, which is a local collector, as well as 277 feet of frontage along the south side of 22nd Avenue which is a local street adjoining to the north. All infrastructure needed to support development is available and contiguous. The property was purchased by the seller in 2006 at which time its zoning was changed from Industrial to Commercial. The purchase price at that time was \$275,000 or \$4.38/SF. The site has an area of approximately 62,726 square feet, all of which is usable. Its current asking price is \$495,000 which is equivalent to a unit value of \$7.89/SF. The listing broker reported that although there has been limited interest the seller is unwilling to adjust the asking price. Seller financing is nonetheless available. The broker anticipates a sale at \$395,000 or \$6.30/SF.

Land Valuation, Cont'd.

Commercial Land Sale Comparables					
Comparable	1	2	3	4	5
Tax Map Identification	R0751653	R2076791	R0730230/49/58	R0730873	R0750306
Location	SEC Yew St/22nd St Forest Grove, Oregon	42245 NW Oak Way Banks, Oregon	30823 NW Commercial North Plains, Oregon	31470 NW Hillcrest St North Plains, Oregon	3705 Pacific Ave Forest Grove, Oregon
Gross Area (SF)	62,726	22,651	35,400	4,792	33,541
Zoning	CC; Community Comm'l	C; Commercial	C-2; Commercial	R-2.5; Residential	CC; Community Comm'l
Shape	Square	Rectangular	Rectangular	Rectangular	Square
Topography	Level	Level	Level	Level	Level
Infrastructure	Available	Available	Available	Available	Available
Improvements	None	None	1,416 SF home – no value	None	Asphalt/detention pond
Exposure	Local	Collector	Arterial	Local street	Primary Arterial
Traffic (AADT)	Not available	Not Available	Not available	Not available	15,700
Seller	Heikes	Oak Vill. Shpg. Ctr. LLC	Hotchkiss	Lycbe	Crystal Waters, LLC
Buyer	Available	Banks School District 13	Available	Brown	O'Reilly Auto. Stores Inc.
Date	Available	January, 2009	Available	PSA July, 2014	February, 2012
Document	Available	2009-001392	Available	PSA July, 2014	2012-11151
Market Exposure	+/- 7 Years	+/- 3 Months	+/- 1 Month	8 Days	+/- 1 Year
Motivation	Available	Access road	Available	Business expansion	O'Reilly Auto Store
Terms of Sale	Available	\$230,000	Cash to seller	PSA July, 2014	Cash to seller
Sale Price	\$495,000 (Ask)	Cash to seller	\$375,000 (Ask)	\$60,000	\$450,000
Sale Price/SF	\$7.89 (Ask)	\$10.15	\$10.59 (Ask)	\$12.52	\$13.42
Verification Source	Bradley Young Listing Broker 503.860.4544	Mark Ward Seller 503.324.6302	Cindy Brown Listing Broker 503.452.4000	Jason Schreier Listing Broker 503.343.1666	Tim Budelman Listing Broker 503.225.8472

Land Valuation, Cont'd.



Comparable Commercial Land Sales Location Map

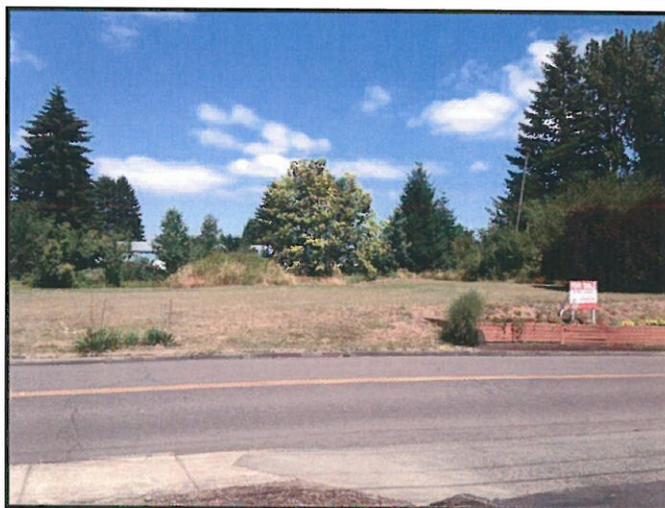
Land Valuation, Cont'd.



The second comparable is located in the nearby community of Banks, Oregon adjoining the north side of NW Oak Way which is a local collector that provides connectivity between Highway 47 and a large, newer residential area known as “Banks Estates”. A post office adjoins to the west, whereas a grocery anchored neighborhood shopping center and self service storage facility are located across Oak Way to the southwest. It exhibits generally level topography and has a

depth of approximately 122 feet relative to a width of roughly 185 feet. The area of the site is approximately .52 acre or 22,651 square feet. The site is zoned C; Commercial. It was exposed to the marketplace for approximately three months on a by-owner basis. The seller was the owner of the nearby Oak Village Shopping Center who viewed the property as being excess land. It went under contract to the local school district in order to expand its holding relative to an adjoining school facility to the north as well as create additional access. The transaction closed in January, 2009 at a negotiated price of \$230,000 which was equivalent to \$10.15/SF. The terms of sale were cash to seller. This was reported to be an open market transaction in all respects.

The third comparable adjoins the subject property to the east. It exhibits highly similar functionality with a depth of 100 feet and a width of 300 feet. It is zoned Highway Commercial (C-2) and is fully served in terms of infrastructure. It is improved with an older single-family residence which represents an interim use that is currently generating \$850 per month in gross rental revenue. The asking price is \$375,000 or roughly \$10.59/SF based upon a gross site area of 35,400



square feet. The listing broker believes that the asking price is potentially aggressive and anticipates a somewhat lower final sale price. The property has been exposed to the marketplace for approximately six weeks with only one serious enquiry. The asking price is based upon a cash to seller transaction.

Land Valuation, Cont'd.



The fourth comparable is located in North Plains adjoining the south side of Hillcrest Street which parallels Commercial Street north of the rail corridor. The site is specifically located approximately 250 feet east of its intersection with Main Street and is zoned General Commercial (C-1). It is an undeveloped site which has a width and depth of approximately 48 feet and 100 feet, respectively. All infrastructure needed to support development is available and contiguous. It is

being purchased by an adjoining property owner (Portable Welding & More) for expansion purposes. It exhibits level topography and is essentially permit-ready. Surrounding land use north of Hillcrest Street and further east is predominantly single-family residential. It was exposed to the marketplace through a local broker for approximately one week at an asking price of \$60,000 and went under contract on July 11, 2014. The purchase price is reportedly consistent with the asking price with the transaction scheduled to close within 60 days. The sale price was equivalent to \$12.50/SF based upon the asking price. There were no competing offers. This was reported to be an open market transaction in all respects.

The fifth comparable is located in Forest Grove adjoining the north side of the Tualatin Valley Highway (Pacific Avenue) approximately two blocks east of its intersection with Highway 47. Adjoining to the west are vehicle repair shops, whereas a newer Ace Hardware retail store is located across Tualatin Valley Highway to the south. This is a high visibility location within an average daily traffic count in excess of 15,000 vehicles per day. The site exhibits generally level topography and has approximately 172 feet of width and street frontage relative to a depth of 195 feet. The area of the site approximates 33,541 square feet. It was exposed to the marketplace through a regional broker at an asking price of \$750,000 which included approximately 1 acre of additional land. It was also possible to purchase an adjoining commercial building at a total package price of \$1,700,000. It was purchased by O'Reilly Auto Parts in February, 2012 at a negotiated price of \$450,000 which was equivalent to \$13.42/SF. The development capacity of the site was benefited by the availability to use an off-site detention pond associated with the Ace Hardware Store. The purchase price was characterized by the listing



Land Valuation, Cont'd.

broker as being aggressive and above market. Otherwise, it was an open market transaction in all respects.

Market conditions have generally stabilized subsequent to 2010 after the onset of a severe recession in 2008. Although Comparable 2 was sold immediately subsequent to the onset of recession, it was purchased by a school district which was otherwise relatively unaffected by market conditions at that time. Consequently, it is the appraiser's opinion and conclusion that all of the comparables are effectively current relative to market trend.

The indication of Comparable 1 clearly establishes a lower unit value threshold for the subject as a result of its inferior exposure and location, as well as its larger size which has a suppressing influence upon unit value due to size regression. Conversely, the indication of Comparable 4 clearly establishes an upper unit value indication as a result of its smaller size. The indication of Comparable 5 likewise establishes an upper unit value as a result of its superior location and exposure adjoining the Tualatin Valley Highway. As reported by the listing broker, the sale price was aggressive and above market. The indications of Comparables 2 and 3 tend to suggest and support a unit value of \$10.00/SF recognizing that the asking price has a \$10.59/SF will likely be subject to negotiation. In order to establish a superior market position relative to adjoining Comparable 3, it is the appraiser's conclusion that somewhat more aggressive pricing will be necessary. Accordingly, the appraiser is influenced to a unit value of \$9.00/SF which, when applied to the subject site area of 50,000 square feet, results in a hypothetical market value estimate of \$450,000 based upon Highway Commercial zoning.

Certificate of Appraisal

The undersigned does hereby certify as follows:

Richard P. Herman MAI has conducted a viewing of the subject property and a curbside viewing of all of the comparables cited herein.

I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

In compliance with ORA 161-025-0025(2)(d), professional contributions have been made by David Balfour (Oregon Registered Appraiser Assistant AA02441) as to definition of the appraisal problem (161-025-0025(2)(a)(A)(i-vii)), preliminary analysis of general data relating to locational influences as well as social, economic, governmental and environmental factors (2)(a)(B)(i), identification of specific data relating to the subject property and comparables (2)(a)(B)(ii), identification of competitive supply and demand influences that are relevant to the subject market area (2)(a)(B)(iii), analysis of the subject property (2)(a)(C)(i-v) and/or highest and best use analysis (2)(D)(i-ii). The value opinions concluded herein are nonetheless the exclusive work product of the supervising appraiser.

I have no present or contemplated future interest in the real estate that is the subject of this appraisal report. I have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved.

To the best of my knowledge and belief, the statements of fact contained in this appraisal report, upon which the analyses, opinions, and conclusions expressed herein are based, are true and correct. The appraisal report sets forth all of the limiting conditions imposed by the terms of this assignment affecting the analyses, opinions, and conclusions contained in this report.

Employment of the appraiser was not conditioned upon the appraisal producing a specific value or a value within a given range. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event. The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. I certify that, to the best of my knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice.

As of the date of this report, Richard P. Herman has completed the requirements of the continuing education program of the Appraisal Institute.



Richard P. Herman, MAI, FRICS
Member, R.P. Herman & Associates LLC
Oregon Certified Appraiser C000190
Expiration Date: January 31, 2016
Email Address: rick@rpherman.com
Date of Report: August 1, 2014

Limiting Conditions and Assumptions

Limit of Liability

The liability of R.P. Herman and Associates LLC (and employees) is limited to the client only and to the fee actually received by the appraiser. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraiser is in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property be it physically, financially, and/or legally. In the case of limited partnerships, syndication offerings or stock offerings in real estate, the client agrees that, in case of lawsuit (brought by lender, partner or part owner in any form of ownership, tenant, or any other party), any and all awards, settlements of any type in such suit, regardless of outcome, the client will hold the appraiser completely harmless in any such action.

Copies, Publications, Distribution, Use of Report

This is a narrative appraisal report which is intended to comply with the reporting requirements set forth under the 2014-15 Edition of the Uniform Standards of Professional Appraisal Practice. It provides a comprehensive discussion of the data, reasoning, and analysis that were used in the appraisal process to develop the appraiser's opinion of value. The depth of discussion contained in this report is specific to the needs of the client and for the intended use. The appraiser is not responsible for unauthorized use of this report.

Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for other than its intended use; the physical report(s) remain the property of the appraiser for the use of the client, the fee being for the analytical services only.

The Bylaws and Regulations of the Appraisal Institute require each Member and Candidate to control the use and distribution of each appraisal report signed by such Member or Candidate; except as hereinafter provided, the client may distribute copies of this appraisal report in its entirety to such third parties as they may elect; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of this appraisal report. Neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations, news, sales or other media for public communication without the prior written consent of the appraiser.

Confidentiality

This appraisal is to be used only in its entirety and no part is to be used without the whole report. All conclusions and opinions concerning the analysis as set forth in the report were prepared by the Appraiser(s) whose signature(s) appear on the appraisal report, unless indicated as "*Review Appraiser*". No change of any item in the report shall be made by anyone other than the Appraiser and/or officer of the firm. The appraiser and firm shall have no responsibility if any such unauthorized change is made.

Limiting Conditions and Assumptions, Cont'd.

The appraiser may not divulge the material (evaluation) contents of the report, analytical findings or conclusions, or give a copy of the report to anyone other than the client or his designee as specified in writing, except as may be required by the Appraisal Institute as they may request in confidence for ethics enforcement, or by a court of law or body with the power of subpoena.

Trade Secrets

This appraisal was obtained from R.P. Herman and Associates LLC and/or its individuals or related independent contractors, and consists of “*trade secrets and commercial or financial information*”, which is privileged, confidential and exempted from disclosure under 5 USC 552(b)(4). Notify the appraiser signing the report of any request to reproduce this appraisal in whole or in part.

Information Used

No responsibility is assumed for accuracy of information furnished by work of others, the client, his designee, or public records. R.P. Herman & Associates LLC is not liable for such information or the work of possible subcontractors. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction, from affidavit or other source thought reasonable; all are considered appropriate for inclusion to the best of our factual judgment and knowledge. An impractical and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to engineering and market-related information. It is suggested that the client consider independent verification as a prerequisite to any transaction involving sale, lease, or other significant commitment of funds.

Testimony, Consultation, Completion of Contract for Appraisal Services

The contract for appraisal, consultation or analytical service is fulfilled and the total fee payable upon completion of the report. The appraiser(s) or those assisting in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal, in full or in part, not engage in post-appraisal consultation with client or third parties except under separate and special arrangement and at an additional fee. If testimony or deposition is required because of any subpoena, the client shall be responsible for any additional time, fees, and charges regardless of issuing party.

Exhibits

The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photographs, if any, are included for the same purpose as of the date of the photographs. Site plans are not surveys unless shown as being from a professional surveyor.

Limiting Conditions and Assumptions, Cont'd.

Legal, Engineering, Financial, Structural, or Mechanical Nature; Hidden Components; Soil

No responsibility is assumed for matters legal in character or nature, nor matters of survey, nor of any architectural, structural, mechanical, or engineering nature. No opinion is rendered as to the title, which is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in particular parts of the report.

The legal description used in this report is assumed to be correct as furnished by the client, or as derived by the appraiser.

The appraiser is not qualified to render an opinion as to compliance with the Americans With Disability Act (ADA) or structural upgrades (if any) needed to comply with current seismic code.

Please note that no advice is given regarding mechanical equipment or structural integrity or adequacy, nor soils and potential for settlement, drainage, and such (seek assistance from qualified architect and/or engineer), nor matters concerning liens, title status, and legal marketability and such (seek legal assistance). The client and parties to any transaction involving the subject property should inspect the property before any disbursement of funds; further, it is likely mechanical and/or structural inspections by a qualified and licensed contractor, civil or structural engineer, architect, or other expert may be appropriate and are recommended.

The appraiser has inspected as far as possible, by observation, the land and the improvements; however, it is not possible to personally observe conditions beneath the soil or hidden structural components. I have not critically inspected mechanical components with the improvements and no representations are made herein as to these matters unless specifically stated and considered in the report. The value estimate considers there being no such conditions that would cause a loss of value. The land or soil of the area being appraised appears firm; however, subsidence in the area is unknown. The appraiser(s) do not warrant against this condition or occurrence of problems arising from soil conditions.

The appraisal is based on there being no hidden, unapparent, or apparent conditions of the property site, subsoil, or structures, or toxic materials that would render it more or less valuable. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them. All mechanical components are assumed to be in operable condition and status standard for properties of the subject type. The condition of heating, cooling, ventilating, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. No judgment may be made by us as to adequacy of insulation, type of insulation, or energy efficiency of the improvements or equipment which is assumed standard for the subject age and type.

Limiting Conditions and Assumptions, Cont'd.

If the appraiser has not been supplied with an infestation inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same, or for any deficiencies discovered before or after they are obtained. No representation or warranties are made concerning obtaining the above-mentioned items.

The appraiser assumes no responsibility for any costs of consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for flood hazard insurance.

Environmental Issues

The appraiser is not an expert in environmental matters. The client is encouraged to seek professional advice relative to toxic materials, subsurface storage tanks, proximity to properties that are known to be contaminated, and the impact (if any) upon health resulting from power lines, electricity, and other forms of external influences which may or may not represent known health hazards.

Legality of Use

The appraisal is based on the premise that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report. Further, it is assumed that all required licenses, consents, permits or other legislative or administrative authority, local, state, federal and/or private entity or organization have been, or can be, obtained or renewed for any use considered in the value estimate.

Component Values

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

Auxiliary and Related Studies

No environmental or impact studies, special market study or analysis, highest and best use analysis study, or feasibility study has been requested or made unless otherwise specified in an agreement for services or in the report.

Dollar Values, Purchasing Power

The market value estimated, and the costs used, are as of the date of value estimate. All dollar amounts are based on the purchasing power and price of the dollar as of the date of the value estimate.

Limiting Conditions and Assumptions, Cont'd.

Inclusions

Furnishings and equipment, personal property or business operations except as specifically indicated and typically considered as a part of real estate, have been disregarded with only the real estate being considered in the value estimate unless otherwise stated. In some property types, business and real estate interests and values are combined.

Proposed Improvements, Conditioned Value

Improvements proposed, if any, on or off site, as well as any repairs required, are considered for purposes of this appraisal to be completed in good and workmanlike manner according to information submitted and/or considered by the appraiser(s). In cases of proposed construction, the appraisal is subject to change upon inspection of the property after construction is completed. This estimate of market value is as of the date shown, as proposed, as if completed and operating at levels shown and projected.

Value Change, Dynamic Market, Influences, Alteration or Estimate by Appraiser

The estimated market value, which is defined in the report, is subject to change with market changes over time; value is highly related to exposure, time, promotional effort, terms motivation, and conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace.

In the case of appraisals involving the capitalization of income benefits, the estimate of market value, investment value, or value in use is a reflection of such benefits and the appraiser's interpretation of income and yield, as well as other factors derived from general and specific client and market information. Such estimates are as of the date of value estimate; they are thus subject to change, as the market and value are naturally dynamic.

The appraisal report and value estimate are subject to change if the physical and legal entity or financing are different than that envisioned in this report.

The "*Estimate of Market Value*" in the appraisal report is not based in whole, or in part, upon the race, color, or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.

Management of the Property

It is assumed that the property which is the subject of this report will be under prudent and competent ownership and management, neither inefficient nor superefficient.

Fee

The fee for this appraisal or study is for the service rendered and not for the time spent on the physical report or the physical report itself.

ADDENDA

- EXHIBIT A:** Appraiser Qualifications
- EXHIBIT B:** Scope of Services Agreement
- EXHIBIT C:** North Plains Zoning Excerpt
- EXHIBIT D:** Assessor Information
- EXHIBIT E:** Ownership Documentation
- EXHIBIT F:** City of North Plains Development Agreement
- EXHIBIT G:** Adverse Impacts Easement and Negative Covenants
- EXHIBIT H:** Residential Use Land Use Documentation
- EXHIBIT I:** Portland Metro Labor Trends (July, 2014)

File 14096

EXHIBIT A

RICHARD P. HERMAN

MAI • SRA • CCIM • CRB • FRICS

Real Estate Valuation, Brokerage and Consulting Services

Richard "Rick" Herman entered the real estate industry in 1974 providing real estate brokerage, valuation, development and consulting services. With over 35 years of experience, Mr. Herman has provided a broad range of fee based services to private parties, corporations, brokerages, attorneys, accountants and government agencies. A strong commitment to continuing education is evidenced by the conferring of professional designations by the Appraisal Institute (MAI, SRA), Commercial Investment Real Estate Institute (CCIM), Real Estate Brokerage Managers Council (CRB) and the Royal Institution of Chartered Surveyors (FRICS). Related appointments and credentials include American Arbitration Association Panel Member, Appraisal Foundation Certified USPAP Instructor and former Vice Chair of the Oregon Appraiser Certification and Licensure Board.

PROFESSIONAL DESIGNATIONS & CREDENTIALS

State of Oregon

Licensed Real Estate Broker (Cert. No. 780300026)	1978
Certified Real Estate Instructor	1980
Certified General Real Estate Appraiser (Cert. No. C000190)	1991

State of Washington

Certified General Real Estate Appraiser (Cert. No. 1100435)	1991
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The Appraisal Institute – Chicago, Illinois

Residential Member, Appraisal Institute (SRA 1379)	1979
Member, Appraisal Institute (MAI 6325)	1981



The MAI professional membership designation is held by appraisers who are experienced in the valuation of commercial industrial, residential and other property types. Fewer than 15% of all licensed or certified appraisers have earned the right to be called an Appraisal Institute Member. Membership requirements exceed state and federal requirements in terms of education, experience, code of ethics, and standards of professional appraisal practice.

Realtors National Marketing Institute (RNMI) – Chicago, Illinois

Certified Real Estate Brokerage Manager (CRB 8644)	1988
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The Certified Real Estate Brokerage Manager designation is conferred by the Real Estate Brokerage Managers Council of the National Association of Realtors and is recognized industry-wide in brokerage management. The CRB designation was established in 1968 and has since been awarded to 7,500 brokerage managers across the country who have completed a series of graduate-level courses and met stringent management experience requirements.

Commercial Investment Real Estate Institute – Chicago, Illinois

Certified Commercial Investment Member (CCIM 5609)	1994
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A Certified Commercial Investment Member is a recognized professional in commercial real estate brokerage, leasing, asset management, valuation, and investment analysis. As an experienced expert, a CCIM is an invaluable resource to the commercial real estate owner, investor, and user. The Commercial Investment Real Estate Institute (CIREI) has conferred this designation since 1969. The rigorous professional experience requirements and graduate level curriculum ensure that a CCIM is skilled not only in theory, but also in practice. The number of commercial real estate professionals holding the CCIM designation is only around 5,000, which reflects the caliber of the program and why it is one of the most coveted and respected designations in the industry.

RICHARD P. HERMAN

MAI • SRA • CCIM • CRB • FRICS

Real Estate Valuation, Brokerage and Consulting Services

Royal Institution of Chartered Surveyors (RICS) – London, United Kingdom
Fellow of the Royal Institution of Chartered Surveyors (FRICS)

2011



The Royal Institution of Chartered Surveyors (RICS) is the leading organization in the world for professionals in property, construction, land and related environmental issues. RICS membership is only awarded to individuals who meet and maintain the most rigorous standards to the public advantage. Chartered Valuation Surveyors (appraisers) specialize in the appraisal of land, real estate for sale, investment, performance assessment, funding strategies and expert witness services. Currently, there are 3,000 members of which 1,900 are qualified professional members (MRICS) or fellows (FRICS) in the Americas of the Royal Chartered Surveyors.

EDUCATION

Portland State University – Portland, Oregon

Bachelor of Science in Geography 1973
Department of Urban Studies/Planning

Bachelor of Science in Business Administration 1976
Department of Finance and Real Estate

Master of Science Candidate in Geography/Urban Studies 1977 – 1979
30 hours interdisciplinary coursework (Grad + 30 Status)

Graduate School of Business Administration 1979 – 1982
Coursework in Real Estate Appraisal, Finance, Investment, Law and Site Analysis

EXPERIENCE

Commercial Construction Project Management	1970 – 1973
Real Property Fee Appraiser	1975 – Present
Real Estate Broker	1976 – Present
Real Property Consulting Services	1981 – Present
Owner, R.P. Herman & Associates LLC	1981 – Present

PROPERTY TYPE FAMILIARITY

Shopping Centers	Multifamily Properties
Office Buildings	Condominium Projects
Neighborhood Retail	Residential Subdivisions
Vacant Land	Partial Interests, Charitable Remainder
Industrial/Warehouse Properties	Airports/Aviation-Related Properties
Special Purpose Properties	Railroad/Rail Banking
Single Family Residential	Tract Development

RICHARD P. HERMAN

MAI • SRA • CCIM • CRB • FRICS

Real Estate Valuation, Brokerage and Consulting Services

PROFESSIONAL SERVICES

Appraisal	Market Research
Buyer Broker Representation	Management Consultation
Market Studies	Management Information Systems
Site Selection/Analysis	Business Plan Development
Investment Counseling	Condemnation Valuation/Offer Evaluation
Portfolio Performance Analysis	Expert Witness Testimony/Litigation Support
Risk Analysis	Real Estate Related Estate Planning

PROFESSIONAL CONTRIBUTIONS

Appraisal Institute – National	1988 – Present
Northwest Region Ethics Panel	1988 – Present
National Faculty Appointment	1987 – Present
Northwest Region Review & Counseling Panel	1980 – Present
Admissions Committee	1993 – 1996
Demonstration Report Grading Committee/Panel Member	1987 – 1997
Ethics Administration Division, Hearings Panel Appointment	1983 – 1984
National Board of Examiners	

National Instructor of Uniform Standards of Professional Appraisal Practice (USPAP), Business Practices and Ethics, Litigation Skills, Fair Housing, Limited Appraisal, Eminent Domain and Core Curriculum Appraisal seminar/courses.

Appraisal Institute – Oregon Chapter	
President	2008
Vice President	2007
Treasurer	2006
Secretary	2005
Director	2003 – 2004
Board of Directors	1997 – 1998
Education Chairman	1987
Candidates Guidance Chairman	1984
State of Oregon Appraiser Certification and Licensure Board	
Board Vice-Chair	2010 – 2012
Board Member	2007 – 2010

Appraiser Certification and Licensure Board
State Certified General Appraiser
28 hours of continuing education required for renewal



Richard P Herman
R P Herman & Associates LLC
922 NW Joy Ave
Portland, OR 97229

License No.: C000190

Issue Date: February 1, 2014

Expiration Date: January 31, 2016


Gae Lynne Cooper, Interim Administrator

EXHIBIT B

R.P.Herman & Associates
Real Estate Valuation and Consulting Services
922 N.W. Joy Avenue
Portland, Oregon 97229

Voice: (503) 626.8841

Fax: (503) 641.8591

Fee and Delivery Date Quote

Client: Mr. John Rankin, Esq
26715 SW Baker Road
Sherwood, Oregon 97140
503.626.9710
john@johnrankin.com

Subject Property : Unimproved land located on the north side of Commercial Street opposite 309th Avenue, North Plains, Oregon, being commonly identified as tax lots 3101 and 3102 of 1N3 1DA, Washington County, Oregon.

Property Type: Residential development land to be appraised based upon a hypothetical zone change to commercial.

Estimated Fee Budget: Appraisal will not exceed \$2,500

Estimated Delivery: Delivery not later than July 15, 2014

Client: Mr. John Rankin, Esq.

Retainer: \$1,250; balance payable within 6 months of delivery including 6% interest

Data Required from Client: 1) Copy of anticipated commercial zoning code
2) Additional information may be required as the assignment progresses.

Report Format: Narrative appraisal report

Assignment Scope: Market Value Estimate of subject property based upon its commercial zone change hypothetical.

Quote Duration: Not Applicable

Valuation Methodology: Sales Comparison Approach

Number of Copies: Three

Prepared By: Richard Herman Date: 6/4/2014

Client Acceptance: John A. Rankin, LLC Date: 6/24/2014

Thank You!!

EXHIBIT C

**Chapter 16.30
ZONING DISTRICT R-2.5**

16.30.000 Purpose

The purpose of the R2.5 District is to provide for the development of multi-family housing, and to implement the housing policies of the Comprehensive Plan.

16.30.005 Permitted Uses

Permitted uses are subject to the requirements of the Design Review section of this chapter, if applicable. Refer to Zoning Code Use Table.

- A. Accessory Dwellings, Subject to Chapter 16.105, Accessory Uses, Structures & Dwellings
- B. Accessory Structures related to residential uses, Subject to Chapter 16.105, Accessory Uses, Structures, & Dwellings
- C. Child Care, Certified Home
- D. Child Care, Registered Home
- E. Duplexes, Subject to Chapter 16.100, Duplex, Triplex, and Attached Single Family Dwellings
- F. Home occupations, Subject to Chapter 16.85, Home Occupations
- G. Manufactured Homes, Subject to Chapter 16.110, Manufactured Homes
- H. Manufactured Home Parks, Subject to Chapter 16.110, Manufactured Homes
- I. Multi-family dwellings, Subject to Chapter 16.175 Multi-Family Dwelling(s) Section and Chapter 16.100, Duplex, Triplex, and Attached Single Family Dwelling
- J. Planned Unit Development, Subject to Chapter 16.140, Planned Unit Development
- K. Residential Facility
- L. Residential Homes
- M. Single family attached homes row houses, 4 units, Subject to Chapter 16.100, Duplex, Triplex, and Attached Single Family Dwellings
- N. Single family detached dwelling
- O. Townhomes/condominiums, subject to Subject to Chapter 16.175, Multi-Family Dwelling(s) Section and Chapter 16.100, Duplex, Triplex, and Attached Single Family Dwelling
- P. Triplexes, Subject to Chapter 16.100, Duplex, Triplex, and Attached Single Family Dwelling

16.30.010 Conditional Uses

Conditional uses are subject to the requirements of the Design Review of this chapter, if applicable. Refer to Zoning Code Use Table.

The following uses and their accessory structures may be permitted in the R2.5 District when authorized by the Planning Commission pursuant to Conditional Use Permit.

16.30 - 1

- A. Bed & Breakfast
- B. Extended Care Facility / Convalescent / Nursing Home
- C. Child Care, Certified Center
- D. Civic / Governmental Use
- E. Educational Facility
- F. Places of Worship
- G. Fraternal Lodge
- H. Utility Facilities

16.30.015 Dimensional Standards

The following dimensional standards shall be the minimum requirements for all development in the R 2.5 District except for modifications permitted under Lot, Building, & Yard Exceptions or Planned Unit Development sections of this chapter. In addition, a minor adjustment of up to 10% of the required setback, area, lot size, lot depth or lot width may be granted by the City pursuant to Variance section of this chapter provided the adjustment complies with administrative variance review criteria.

A. Lot/Parcel Size

- Lots created by subdivision: 6,000 square feet maximum lot size per dwelling unit
- Single-family dwelling: - 2,500 square feet minimum
- Two-family dwelling (duplexes), Triplexes & attached single family dwellings: 2,500 square feet per unit minimum lot size
- Multi-family dwelling developments (greater than 3 units): 10,000 square feet minimum foot lot;
- All other uses 4,000 square feet minimum

B. Lot/Parcel Depth and Width

- No minimum lot width or depth.

C. Setback Requirements

Principle structures, accessory dwellings and accessory structures with a floor area greater than 200 square feet shall maintain the following minimum yard setbacks except that development on flag lots shall be subject to the setback standards for Flag Lots.

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D. Front Yard:

- For all structures: 10 feet
- Garage: 20 feet

Garages, carports, accessory dwellings and accessory structures shall be flush with, or recessed behind, the front building elevation of the principle structure.

E. Rear Yard:

- street-access lots 10 feet
- alley-access lots 6 feet
- Accessory Structures and Accessory Dwellings 5 feet

F. Side Yard:

- Side yards should be established to create separation between structures and meet fire codes and provide space for pervious surface area
- Single family dwellings created by subdivision must have at least one side yard
- Adjacent to street - 10 feet plus additional necessary to comply with the standards of Clear Vision Areas section of this chapter.
- Accessory Structures and Accessory Dwellings - 5 foot Adjacent to street setback, except as provided for in the Accessory Use, Structures and Dwellings section of this chapter.

G. Flag lots approved:

10 feet for all yards, except pursuant to that the yard facing the garage shall be a minimum of 20 feet.

H. Height of Buildings

Buildings shall not exceed a height of 35 or two and a half stories, whichever is less. Accessory dwellings (excluding accessory structures) shall not exceed 25 feet in height.

I. Lot/Parcel Coverage

In the R2.5 District, the maximum lot coverage for impervious surfaces shall not exceed 65%

16.30.020 Parking Requirements

Parking requirements are specified in Chapter 16.155 Off Street Parking and Loading.

16.30.025 Development Standards

The following standards will be applied to all single family dwellings (site-built, modular and manufactured homes) to be constructed or located in the City of North Plains:

A. All units shall utilize at least two of the following design features to provide visual relief along the front of the home:

1. dormers;
2. gables;
3. recessed entries;
4. covered porch entries;
5. cupolas;
6. pillars or posts;
7. bay or bow windows;
8. eaves (minimum 6" projection);
9. offsets on building face or roof (minimums 16");

All manufactured homes shall also comply with the requirements of the Manufactured Homes section of this chapter.

**Chapter 16.40
GENERAL COMMERCIAL DISTRICT (C-2)**

16.40.000 Purpose

The purpose of the C-2 District is to provide areas for the broad range of retail and service operations, as well as mixed use developments and live/work townhomes, which are dependent upon highway accessibility and visibility.

16.40.005 Permitted Uses

Permitted uses are subject to the requirements of Design Review, if applicable. Refer to Zoning Code Use Table.

- A. Accessory Use/Structures related to Commercial, Office, & Retail, Subject to Accessory Uses, Structures, & Dwellings of this chapter
- B. Alcoholic beverage establishment
- C. Amusement Enterprise, Indoor
- D. Animal Care Facility
- E. Art Studio/Gallery
- F. Catering Establishment
- G. Child Care, Certified Home, if part of a single family residential use
- H. Child Care, Registered Home, if part of a single family residential use
- I. Civic/Governmental Use
- J. Clinic, Medical & Dental
- K. Conference/Convention Center
- L. Drive-in/thru window
- M. Dry Cleaners & Laundry
- N. Franchise disposal service vehicle storage and repair, established as of September 2011
- O. Fuel Sales, Subject to Chapter 16.90
- P. Funeral Homes, Mortuaries, & Taxidermist
- Q. Garden/greenhouse, Commercial
- R. Home Occupations, Subject to Chapter 16.85
- S. Hotels & Motels
- T. Office, Business
- U. Parking as Primary Use
- V. Planned Unit Development, Subject to Planned Unit Development section of this chapter
- W. Recycling Drop-Off Center
- X. Restaurants
- Y. Retail Sales & Service
- Z. Vehicular Sales, Rental, Repair, and Service

16.40 - 1

16.40.010 Conditional Uses

Conditional uses subject to the requirements of Design Review, if applicable. Refer to Zoning Code Use Table.

The following uses and their accessory structures may be permitted in the C-2 District when authorized by the Planning Commission pursuant to Chapter

16.40.015 Conditional Use Permit

- A. Amusement Enterprise, Outdoor
- B. Bed & Breakfast
- C. Bus Depot
- D. Child Care, Certified Center
- E. Educational Facility
- F. Educational Facility
- G. Extended Care Facility / Convalescent / Nursing Home
- H. Farm/logging/lumber supply/equipment sales & service
- I. Fraternal Lodge
- J. Hospital/Sanitarium
- K. Industrial, Light
- L. Live/Work townhomes; shall not occupy more than 25% of front building elevation on the ground floor
- M. Mixed Use developments; shall not occupy more than 25% of front building elevation on the ground floor
- N. Places of Worship
- O. Radio/TV Station/Studios
- P. Retail Sales & Service-Single Tenant over 30,000 sf
- Q. Scientific Testing/Research Laboratory
- R. Storage, self-service
- S. Storage, self-service/RV
- T. Utility Facilities
- U. Vehicle Wash
- V. Wholesale/services
- W. Wireless Telecommunication Facilities

16.40.020 Limitations on Use

The following conditions and limitations shall apply to development in the C-2 District.

- A. The Commission may impose the following conditions before a building permit will be issued for the proposed development:

16.40 - 2

- B. Limit or prohibit access to streets not designated as major streets on an officially adopted plan where the principal uses along the street in the block are residential.
- C. Require sight or sound barriers.

D. The use shall not be objectionable in relationship to surrounding residential zones because of odor, dust, smoke, cinders, fumes, noise, glare, heat, or vibration.

16.40.025 Dimensional Standards

The following dimensional standards shall be the minimum requirements for all development in the C-2 District except for modifications permitted under Lot, Building, & Yard Exceptions or Planned Unit Development sections of this chapter.

- A. Lot Size
 1. The minimum lot area shall be 5,000 square feet.
 2. The minimum lot width shall be 50 feet at the street line.
- B. Setback Requirements
 1. Front Yard 20 feet
 2. Side Yard Adjacent to a Residential Zone 10 feet
 - Adjacent to any other zone None required
 - Adjacent to street 20 feet
 3. Rear Yard 10 feet
 - Adjacent to a Residential Zone None required
 - Adjacent to any other zone 20 feet
 - Adjacent to street 20 feet
- C. Height of Buildings

Buildings in the C-2 District shall not exceed a height of 45 feet.

16.40.030 Parking Requirements

Parking requirements for commercial uses are specified in Off Street Parking and Loading of this Ordinance.

**Chapter 16.15
ZONING CODE USE TABLE**

Below is a table summarizing permitted uses in residential, commercial, and industrial zoning districts. Refer to this table in conjunction to the corresponding chapters of this Ordinance.

	R-7.5	R-5	R-2.5	NC	C-1	C-2	M-1	M-2
RESIDENTIAL								
Accessory Dwellings	P ¹	P ¹	P ¹	See Chapter 16.45, Neighborhood Community (NC) Zone	-	-	-	-
Accessory Structures/Uses related to residential uses	P ¹	P ¹	P ¹		-	-	-	-
Bed & Breakfast	-	C	C		P	C	-	-
Duplex Dwelling	-	P ⁴	D ⁴		-	-	-	-
Extended Care Facility / Convalescent / Nursing Home	C	C	C		C	C	-	-
Home Occupations	P ⁵	P ⁵	P ⁵		P ⁵	D ⁵	-	-
Live/work townhome	-	-	-		P ⁷	O ⁹	-	-
Manufactured Home	D ²	D ²	D ²		-	-	-	-
Manufactured Home Park	-	D ²	D ²		-	-	-	-
Mixed Use Development	-	-	-		D ⁷	C ⁹	-	-
Multi-Family Dwelling	-	-	D ⁶		-	-	-	-
Planned Unit Development	D ³	D ³	D ³		D ³	D ³	D ³	D ³
Residential Facility	-	-	D ⁶		-	-	-	-
Residential Home	D	D	D		-	-	-	-
Single-Family Attached/ Row House	-	P ⁴	D ⁴		-	-	-	-
Single-Family Detached Dwelling	D	D	D		-	-	-	-
Townhouse/Condominium	-	-	D ⁶		-	-	-	-
Triplex Dwelling	-	-	P ⁴		-	-	-	-

	R-7.5	R-5	R-2.5	NC	C-1	C-2	M-1	M-2
PUBLIC, CIVIC, & INSTITUTIONAL								
Civic /Governmental Use	C	C	C	See Chapter 16.45	P	P	C	C
Educational Facility	C	C	C		C	C	C	C
Hospital/Sanitarium	-	-	-		-	C	-	-
Places of Worship	C	C	C		C	C	-	-
COMMERCIAL, OFFICE, & RETAIL								
Accessory Structures/uses to Commercial, Office, & Retail	-	-	-	See Chapter 16.45, Neighborhood Community (NC) Zone	P ¹	P ¹	-	-
Alcoholic Beverage Establishment	-	-	-		P	P	P	P
Amusement Enterprise, Indoor	-	-	-		P	P	C	C
Amusement Enterprise, Outdoor	-	-	-		C	C	C	C
Animal Care Facility	-	-	-		C	P	-	-
Art Studio/Gallery	-	-	-		P	P	-	-
Bus Depot/Terminal	-	-	-		-	C	P	P
Catering Establishment	-	-	-		P	P	-	-
Child Care, Certified Center	C ¹¹	C ¹¹	C ¹¹		C ¹¹	C ¹¹	-	-
Child Care, Certified Home	P ¹¹	P ¹¹	P ¹¹		P ¹²	P ¹²	-	-
Child Care, Registered Home	P ¹¹	P ¹¹	P ¹¹		P ¹²	P ¹²	-	-
Clinic, Medical & Dental	-	-	-		P	P	C	C
Conference / Convention Center	-	-	-		C	P	C	C

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	R-7.5	R-5	R-2.5	NC	C-1	C-2	M-1	M-2
COMMERCIAL, OFFICE, & RETAIL (Continued)								
Drive-in / thru window	-	-	-	See Chapter 16.45, Neighborhood Community (NC) Zone	C	P	C	C
Dry Cleaners & Laundry	-	-	-		P	P	-	-
Farm/logging/lumber supply/equipment sales & service	-	-	-		C	C	P	P
Fraternal Lodge	C	C	C		C	C	-	-
Fuel Sales	-	-	-		-	P ^a	C	C
Funeral Homes, Mortuaries, & Taxidermist	-	-	-		C	P	C	C
Franchise disposal service vehicle storage and repair, established as of September 2011	-	-	-		-	P	-	-
Garden/Greenhouse, Commercial	-	-	-		-	P	P	P
Hotels & Motels	-	-	-		P	P	C	C
Office, Business	-	-	-		P	P	P	P
Parking as a Primary Use	-	-	-		P	P	C	C
Radio / TV Station / Studios	-	-	-		C	C	C	C
Recycling Drop-Off Center	-	-	-		-	P	-	-
Restaurant	-	-	-		P	P	-	-
Retail Sales & Service	-	-	-		P	P	P	P
Retail Sales & Service-Single Tenant over 30,000 SF	-	-	-		C	C	C	C
Retail Sales, Manufactured Homes	-	-	-		-	-	C	C
Storage, Self Service	-	-	-		-	C	P	P
Vehicle Wash	-	-	-		-	C	C	C

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	R-7.5	R-5	R-2.5	NC	C-1	C-2	M-1	M-2
INDUSTRIAL & MANUFACTURING								
Accessory Structures/uses to Industrial and Manufacturing	-	-	-	See Chapter 16.45, Neighborhood Community (NC) Zone	-	-	P ¹	P ¹
Auction Yard, excluding livestock	-	-	-		-	-	-	P
Auction Yard, livestock	-	-	-		-	-	-	C
Bulk Storage Tanks/Cold Storage Facility	-	-	-		-	-	C	P
Industrial, Heavy	-	-	-		-	-	-	P
Industrial, Light	-	-	-		-	C	P	P
Scientific Testing / Research Laboratory	-	-	-		-	C	P	P
Storage, Outdoor	-	-	-		-	-	C ¹⁰	C ¹⁰
Storage, Self Service/RV	-	-	-		-	C	P	P
Truck Stop/Freight/Trucking Terminal & Truck Repair	-	-	-		-	-	P	P
Utility Facility	C	C	C		C	C	P	P
Vehicular Sales, Rental, Repair and Service	-	-	-		-	P	P	P
Warehousing	-	-	-		-	-	P	P
Waste/Recycling Services	-	-	-		-	-	P	P
Wholesale/Services	-	-	-		C	C	P	P
Wireless Telecommunication Facilities	-	-	-		C	C	C	C
Wireless Telecommunication Tower	-	-	-		-	-	C	C

16.15-4

EXHIBIT D

Transfer History**Property ID: R0730267**

<i>Buyer</i>	: Vanderzanden Francis J	<i>Price</i>	:
<i>CoOwner</i>	:	<i>Xfered</i>	: 03/08/1994
<i>Title</i>	:	<i>Doc #</i>	: 22439
<i>Lender</i>	:	<i>Deed</i>	: Bargain & Sale
<i>Loan</i>	:	<i>Vest</i>	:
<i>Loan\$</i>	:	<i>% Owned</i>	: 100
<i>Rate</i>	:	<i>\$/SqFt</i>	: 0.00

<i>Buyer</i>	: Hays Allen J/Joyce E	<i>Price</i>	: \$85,000
<i>CoOwner</i>	:	<i>Xfered</i>	: 02/22/1993
<i>Title</i>	: Chicago Title Co.	<i>Doc #</i>	: 13381
<i>Lender</i>	: Private Individual	<i>Deed</i>	: Re Contract
<i>Loan</i>	: Seller	<i>Vest</i>	:
<i>Loan\$</i>	: \$42,500	<i>% Owned</i>	: 100
<i>Rate</i>	: Fixed	<i>\$/SqFt</i>	: 0.00

Information compiled from various sources. CoreLogic makes no representations or warranties as to the accuracy or completeness of information contained in this report.

Transfer History

Property ID: R0730276

<i>Buyer</i>	: Vanderzanden Francis J	<i>Price</i>	:
<i>CoOwner</i>	:	<i>Xfered</i>	: 03/08/1994
<i>Title</i>	:	<i>Doc #</i>	: 22439
<i>Lender</i>	:	<i>Deed</i>	: Bargain & Sale
<i>Loan</i>	:	<i>Vest</i>	:
<i>Loan\$</i>	:	<i>% Owned</i>	: 100
<i>Rate</i>	:	<i>\$/SqFt</i>	: 0.00

Information compiled from various sources. CoreLogic makes no representations or warranties as to the accuracy or completeness of information contained in this report.

7/1/13 TO 6/30/14 REAL PROPERTY TAX STATEMENT
WASHINGTON COUNTY OREGON * 155 N FIRST AVE., RM 130 * HILLSBORO, OREGON 97124

PROPERTY DESCRIPTION

MAP: 1N31DA-03101

ACCOUNT NO: R730267

SITUS: ,

2013-2014 CURRENT TAX BY DISTRICT:

COLL-PORTLAND	6.37
ESD-NW REGIONAL	3.46
SCH-HILLSBORO	111.99
EDUCATION TAXES:	\$121.82
WASHINGTON COUNTY	50.61
PORT-PORTLAND	1.58
FIRE-WASH CO RFPD #2	25.25
CITY-NORTH PLAINS	48.87
CLEAN WATER SERVICES	0.00
UR-NORTH PLAINS-DOT	14.51
WASHINGTON COUNTY LOL AFTER	13.96
FIRE-WASH CO RFPD #2-AFTER	13.49
GENERAL GOVERNMENT TAXES:	\$168.27
BOND-WASHINGTON COUNTY	2.91
BOND-PCC	3.95
BOND-SD #1J-HILLSBORO	29.33
BOND-HILLSBORO SCHOOL AFTER	26.57
BOND-PCC-AFTER	6.53
BOND AND MISC TAX:	\$69.29
2013-14 TAX (Before Discount)	\$359.38

LEGAL DESCRIPTION

CODE AREA: 070.15

NORTH PLAINS, BLOCK 20, LOT 11-12 & PT 4

VALUES: LAST YEAR THIS YEAR

MARKET VALUES:		
LAND	98,280	98,280
STRUCTURE:	0	0
TOTAL RMV VALUE:	98,280	98,280
TAXABLE VALUES:		
ASSESSED VALUE	22,980	23,660

PROPERTY TAXES: \$349.76 \$359.38

APPEAL DEADLINE	December 31, 2013
Value Questions	503-846-8826
Tax Questions	503-846-8801
Business Personal Property Questions	503-846-8838
Other Questions	503-846-8741

PROPERTY TAX PAYMENT OPTIONS		
(See back of Statement for payment instructions.)		
Due	Discount	Net Amount Due
Pay		
In Full 11/15/13	10.78	\$348.60
2/3 11/15/13	4.79	\$234.80
1/3 11/15/13	NONE	\$119.80
MAKE PAYABLE TO: Washington County		
Online - https://ecomm.co.washington.or.us/propertytax		
Pay By Phone: 1(888) 510-9274		

DELINQUENT TAXES: NO DELINQUENT TAXES DUE
 (See back for explanation of taxes marked with an asterisk (*).
 Delinquent Tax Total is included in payment options to the left.)
TOTAL (After Discount): \$348.60

MY MARKET VALUE WENT DOWN, BUT MY TAXES WENT UP?

Your property taxes are based on your **ASSESSED** value not your **MARKET** value. A decline in the *market value* does not automatically reduce your property taxes.

**For more information, review the enclosed Washington County Property Tax Statement Guide or visit our website:
<http://www.co.washington.or.us/AssessmentTaxation>**

All Payments Processed Upon Receipt

▼ Tear Here

▼ Tear Here

RETURN THIS PORTION WITH PAYMENT - SEE BACK OF STATEMENT FOR INSTRUCTIONS

2013-2014 Property Tax Payment Stub WASHINGTON COUNTY, OREGON

ACCOUNT NO: R730267

Mailing address change on back of stub.

SITUS: ,

FULL PAYMENT (Includes 3% Discount)
 2/3 PAYMENT (Includes 2% Discount)
 1/3 PAYMENT (No Discount Offered)

UNPAID DELINQUENT TAX IS INCLUDED IN PAYMENT OPTIONS

DUE: 11-15-13	\$348.60
DUE: 11-15-13	\$234.80
DUE: 11-15-13	\$119.80

DISCOUNT IS LOST & INTEREST APPLIES AFTER DUE DATE

Make Payable to:
WASHINGTON COUNTY
 Property Tax Payment Center
 P. O. Box 3587
 Portland, OR 97208-3587

ENTER AMOUNT PAID
 Due Date: 11/15/2013

34000017302670000034860000002348000000119804

7/1/13 TO 6/30/14 REAL PROPERTY TAX STATEMENT
WASHINGTON COUNTY OREGON * 155 N FIRST AVE., RM 130 * HILLSBORO, OREGON 97124

PROPERTY DESCRIPTION

MAP: 1N31DA-03102

ACCOUNT NO: R730276

SITUS: ,

2013-2014 CURRENT TAX BY DISTRICT:

COLL-PORTLAND	25.55
ESD-NW REGIONAL	13.90
SCH-HILLSBORO	449.37
EDUCATION TAXES:	\$488.82
WASHINGTON COUNTY	203.10
PORT-PORTLAND	6.33
FIRE-WASH CO RFPD #2	101.34
CITY-NORTH PLAINS	196.12
CLEAN WATER SERVICES	0.00
UR-NORTH PLAINS-DOT	58.24
WASHINGTON COUNTY LOL AFTER	56.01
FIRE-WASH CO RFPD #2-AFTER	54.12
GENERAL GOVERNMENT TAXES:	\$675.26
BOND-WASHINGTON COUNTY	11.67
BOND-PCC	15.85
BOND-SD #1J-HILLSBORO	117.69
BOND-HILLSBORO SCHOOL AFTER	106.60
BOND-PCC-AFTER	26.20
BOND AND MISC TAX:	\$278.01
2013-14 TAX (Before Discount)	\$1,442.09

LEGAL DESCRIPTION

CODE AREA: 070.15

NORTH PLAINS, BLOCK 20, LOT 5-10 & PT 4

VALUES: LAST YEAR THIS YEAR

MARKET VALUES:		
LAND	361,440	361,440
STRUCTURE:	0	0
TOTAL RMV VALUE:	361,440	361,440
TAXABLE VALUES:		
ASSESSED VALUE	92,180	94,940
PROPERTY TAXES:	\$1,402.97	\$1,442.09

APPEAL DEADLINE	December 31, 2013
Value Questions	503-846-8826
Tax Questions	503-846-8801
Business Personal Property Questions	503-846-8838
Other Questions	503-846-8741

PROPERTY TAX PAYMENT OPTIONS
(See back of Statement for payment instructions.)

Pay	Due	Discount	Net Amount Due
In Full	11/15/13	43.26	\$1,398.83
2/3	11/15/13	19.23	\$942.17
1/3	11/15/13	NONE	\$480.70

MAKE PAYABLE TO: Washington County
 Online - <https://ecomm.co.washington.or.us/propertytax>
 Pay By Phone: 1(888) 510-9274

DELINQUENT TAXES: NO DELINQUENT TAXES DUE

(See back for explanation of taxes marked with an asterisk (*).
 Delinquent Tax Total is included in payment options to the left.)

TOTAL (After Discount): \$1,398.83

MY MARKET VALUE WENT DOWN, BUT MY TAXES WENT UP?

Your property taxes are based on your **ASSESSED** value not your **MARKET** value. A decline in the *market value* does not automatically reduce your property taxes.

For more information, review the enclosed Washington County Property Tax Statement Guide or visit our website:
<http://www.co.washington.or.us/AssessmentTaxation>

All Payments Processed Upon Receipt

▼ Tear Here

▼ Tear Here

RETURN THIS PORTION WITH PAYMENT - SEE BACK OF STATEMENT FOR INSTRUCTIONS

2013-2014 Property Tax Payment Stub WASHINGTON COUNTY, OREGON

ACCOUNT NO: R730276

SITUS: ,

Mailing address change on back of stub.

FULL PAYMENT (Includes 3% Discount)
 2/3 PAYMENT (Includes 2% Discount)
 1/3 PAYMENT (No Discount Offered)

UNPAID DELINQUENT TAX IS INCLUDED IN PAYMENT OPTIONS

DUE: 11-15-13	\$1,398.83
DUE: 11-15-13	\$942.17
DUE: 11-15-13	\$480.70

DISCOUNT IS LOST & INTEREST APPLIES AFTER DUE DATE

Make Payable to:
WASHINGTON COUNTY
 Property Tax Payment Center
 P. O. Box 3587
 Portland, OR 97208-3587

ENTER AMOUNT PAID
 Due Date: 11/15/2013

34000017302760000139883000009421700000480708

EXHIBIT E

2008
C

94022439
Washington County

BARGAIN AND SALE DEED

Patricia C. Vanderzanden, grantor, conveys to Francis J. Vanderzanden, the following described real property:

PARCEL ONE

The west 1/2 of lots 4 and all of lots 5, 6, 7, 8, 9 and 10, Block 20, North Plains, Oregon.

PARCEL TWO

Lots 11, 12, 13 and 14, Block 20, North Plains, Oregon, according to the duly recorded plat thereof on file in the office of the County Recorder at Hillsboro, Washington County, Oregon, except the westerly 10 feet of said Lot 14, heretofore conveyed to Washington County, Oregon. Subject to the rights of the public in and to any portion lying within roads and highways.

The true consideration for this conveyance is terms and conditions of judgment of dissolution of marriage.

DATE: February 28, 1994.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

Patricia C. Vanderzanden
Patricia C. Vanderzanden

This instrument was acknowledged before me on February 28, 1994 by Patricia C. Vanderzanden.

Rusan A. Marshall
NOTARY PUBLIC FOR OREGON
My Commission Expires:

Send all further tax statements to and after recording return to:
Francis J. Vanderzanden
21345 N.W. Murphy Road
Corvallis, OR 97333



PAGE 1 -- BARGAIN AND SALE DEED

1-2



Title Data, Inc. FA POR10411 WN 94022439.001

STATE OF OREGON } 85
County of Washington

I, Jerry R. Hanson, Director of Assessment and Taxation, County Clerk for said County, do hereby certify that the within instrument has been received and recorded in Book _____ of said county.



Doc: 94022439
Rect: 110189 38.00
03/08/1094 02:35:42PM

2

Title Data, Inc. FA POR10411 WN 94022439.002

EXHIBIT F

35
5
11

Washington County, Oregon 2008-049150
05/30/2008 11:34:55 AM
D-AG Cnt=1 Stn=9 C TOMPKINS
\$35.00 \$5.00 \$11.00 - Total = \$51.00



01256275200800491500070074

I, Richard Hobernicht, Director of Assessment and Taxation and Ex-Officio County Clerk for Washington County, Oregon, do hereby certify that the within instrument of writing was received and recorded in the book of records of said county.

Richard Hobernicht
Richard Hobernicht, Director of Assessment and Taxation, Ex-Officio County Clerk



After Recording, Return to:

City of North Plains
31360 NW Commercial Street
North Plains, Oregon 97133

DEVELOPMENT AGREEMENT
CITY OF NORTH PLAINS

THIS AGREEMENT, made this 13th day of May, 20 08, by and between Mr. Francis J. Vanderzanden, Living Trust (APPLICANT/OWNER), and the CITY OF NORTH PLAINS ("CITY").

WITNESSETH

WHEREAS, the APPLICANT/OWNERS at property identified as Tax Lots 3101, and 3102, Map No. 1N31DA (Refer to Exhibit "A" attached). The subject property is located on the north side of Commercial Street, east of 311th Avenue and contains approximately 50,000 square feet. It is currently vacant.

WHEREAS, the APPLICANT/OWNER has submitted Subdivision, and Variance applications; SD/VAR-07-0002, ("Application") to the CITY for approval, which Application and respective files are hereby incorporated by this reference. The Applicant received Planning Commission approval of the application on May 9, 2007.

WHEREAS, the CITY is willing to provide final approval for the Application upon the condition that the APPLICANT/OWNER undertake and maintain certain improvements and satisfy certain requirements as specified below.

**Page 1 - DEVELOPMENT AGREEMENT - VANDERZANDEN TOWNHOMES
SUBDIVISION & VARIANCE SD/VAR-07- 0002**

NOW, THEREFORE, IN CONSIDERATION of mutual covenants and agreements herein contained as conditions precedent to the granting of final approval for said Application by the CITY, the APPLICANT/OWNER hereby agrees as follows:

CONDITIONS OF APPROVAL:

Based upon the findings contained in the staff report, the application packet submitted by the applicant and testimony before the Planning Commission, APPROVAL of the Design Review, Subdivision and Variance to number of units in a building is given for the application submitted by John Rankin, LLC with the following conditions of approval:

1. Comply with conditions of approval required by Washington County Fire District No. 2.
2. Comply with all conditions of approval and code requirements of Clean Water Services.
3. There shall be constructed full half-street improvements along NW Commercial Street adjacent to the subject property and in front of the property on the corner of NW Commercial Street and NW 311th Ave. All street improvements shall be to City of North Plains standards and comply with the Transportation Systems Plan.
4. Applicant shall comply with the development standards of Zoning and Development Code Chapter 16.08 except as modified by the variance granted as a part of this approval regarding the number of units in an attached building.
5. Applicant shall comply with Chapter 16.57 of the Zoning and Development Code.
6. All conditions of approval must be completed within one year of the date of this approval or the approval is void, unless specifically modified by an approved phased construction schedule, or unless the applicant/owners provides assurances otherwise.
7. Prior to obtaining approval to begin construction of any public improvements, the applicant/owner shall provide a performance bond to the City in the amount of 125% of the total cost of such construction. Upon completion of all public improvements, the applicant/owner shall provide a maintenance bond to the City, in the amount of 40% of the total cost of such construction, guaranteeing said improvements for a period of one (1) year following City acceptance of said improvements.
8. Comply with the recommended conditions of the Public Works Director.
9. Comply with the conditions of approval recommended by the City Engineer incorporated into the staff report.
10. Street lights are required and shall be installed as per IES standards.

**Page 2 - DEVELOPMENT AGREEMENT - VANDERZANDEN TOWNHOMES
SUBDIVISION & VARIANCE SD/VAR-07- 0002**

11. The applicant/owners shall have a licensed land surveyor prepare a final Plat of the proposed partition and submit it to the City for City approval, and then record it with the Washington County Surveyor's Office and County Clerk's Office. The applicant/owners shall then send a copy of the recorded Plat to the City Recorder.
12. The applicant/owners agree to waive their right to remonstrate against the formation of a local improvement district or other mechanism to construct future improvements to the streets, storm water, water and sewer systems that may be assessed against the subject property.
13. Prior to City approval of the final partition plat for the subject property, the applicant/owners shall sign and record a Development Agreement with the City, covering all of the conditions of approval and pay all fees.
14. It shall be the responsibility of the Developer or his representative to coordinate all design requirements with the appropriate agencies and utilities. In addition to the City of North Plains, the Clean Water Services (CWS) and Washington County, must review and approve the proposed sanitary sewer /storm water sewer improvements and NW Commercial Street improvements respectively. Also, the Fire District must review and approve the site plan for emergency access vehicles. Approval must be obtained in written form and any coordination work with all agencies shall be the Developers sole responsibility.

Documentation of all written approvals and permits from affected agencies should be provided to the City for their records.

15. Approved plans do not guarantee the adequacy of the design, or guarantee that there will not be any design conflicts during construction. The design engineer should be notified of any design conflicts that are noted during construction and he/she should then immediately notify the City of North Plains. Modifications to the design must be approved by the City of North Plains and the appropriate Agency prior to continuing with any relevant construction activities.
16. After Planning Commission review the Developer must submit separate construction plans that meet all Conditions of Approval, City of North Plains Public Works Design Standards, 1990 APWA Standard Specifications for Public Works Construction with August 1996 revisions, and Clean Water Services to the City for review and approval. Prior to the start of construction the plans must be approved by the City and all City and Agency permits must be obtained.
17. The Developer shall incorporate all Clean Water Services requirements into the construction plans. All storm sewer improvements are to be designed in accordance with the Clean Water Services Design and Construction Standards for Sanitary Sewer

**Page 3 - DEVELOPMENT AGREEMENT - VANDERZANDEN TOWNHOMES
SUBDIVISION & VARIANCE SD/VAR-07-0002**

and Surface Water Management July 1996. The developer must obtain design approval and all appropriate permits prior to start of construction.

18. The alleys shall be located in a reciprocal easement for access purposes.
19. The maximum number of dwelling units shall not exceed five in each of the attached unit buildings.
20. The applicant shall construct the project based upon the plans submitted to the city on May 1, 2007.
21. The sidewalks between Lots 5 and 6 and 10 and 11 shall be located in pedestrian easements.
22. There shall be 3 foot wide sidewalks adjacent to Lots 1 and 15.
23. A six foot high site obscuring fence shall be constructed along the north property line to connect to the water quality facility fence.

This approval by the City may be appealed by the filing of a written notice of appeal with the city recorder within fifteen (15) days from the date of this approval.

ENFORCEMENT OF THIS AGREEMENT:

If the APPLICANT/OWNER fails to keep and execute the terms of this agreement, the CITY may, after 30 days written notification, perform the terms and conditions including, but not limited to, the improvement and maintenance of the provisions described above, and may charge the same as a valid and enforceable lien upon the property described above. In enforcing this agreement, the City Council of the CITY may use any of the remedies proscribed in Section 1.102.03, Violations, of the Zoning and Development Ordinance or may make a determination of the probate cost of the improvement and/or maintenance and shall give the APPLICANT/OWNER a period of 30 days in which to complete said program. If the APPLICANT/OWNER does not execute such program within the time limit, then the City Council may pass an ordinance requiring the same to be let out for bid by the lowest responsible bidder. The cost, plus any additional costs incurred by the CITY in enforcing performance shall be charged as a lien against the property described above, and shall be collectable as other CITY liens.

This agreement shall be binding upon the heirs, executors, administrators and assigns of both parties, and is a condition and covenant running with the land and binding upon the above described real property.

**Page 4 - DEVELOPMENT AGREEMENT - VANDERZANDEN TOWNHOMES
SUBDIVISION & VARIANCE SD/VAR-07- 0002**

If suit or action is brought to maintain or enforce any of the rights or obligations of either party arising out of or in connection with this agreement, the prevailing party in such suit or action shall be entitled to recover its reasonable attorney's fees, including attorney's fees on appeal.

FOR THE CITY OF NORTH PLAINS:

Cheri Olson
Cheri Olson, Mayor

CITY OF NORTH PLAINS
31360 NW Commercial Street
North Plains, Oregon 97133-7101

APPROVED AS TO FORM:

Donald H. Otterman
Donald H. Otterman, City Manager

ATTEST:

Lisa J. Gibson
Lisa Gibson, City Recorder

**Page 5 - DEVELOPMENT AGREEMENT - VANDERZANDEN TOWNHOMES
SUBDIVISION & VARIANCE SD/VAR-07-0002**

FOR THE APPLICANT/OWNERS:

Francis J. Vanderzanden
Francis J. Vanderzanden, Living Trust, Applicant/Owner

Mailing Address:

Mr. Francis J. Vanderzanden
133 NE 28th Avenue
Hillsboro, OR 97124

State of OREGON)

County of CLACKAMAS)

THIS INSTRUMENT IS PERSONALLY ACKNOWLEDGED BEFORE ME THIS
13 DAY OF May, ~~2007~~
2008

NOTARY PUBLIC SEAL:

Jill M. Trestik
Notary Public State of Oregon.
My commission expires: Nov. 14, 2011



Page 6 - DEVELOPMENT AGREEMENT - VANDERZANDEN TOWNHOMES
SUBDIVISION & VARIANCE SD/VAR-07- 0002

EXHIBIT "A"

**LEGAL DESCRIPTION
OF THE VANDERZANDEN PROPERTY**

Lots 5, 6, 7, 8, 9, 10, 11, 12 and the West one-half of Lot 4, Block 20, NORTH PLAINS, in the City of North Plains, County of Washington, State of Oregon.

**Page 7 - DEVELOPMENT AGREEMENT - VANDERZANDEN TOWNHOMES
SUBDIVISION & VARIANCE SD/VAR-07- 0002**

EXHIBIT G

Washington County, Oregon 2006-059765
05/19/2006 11:41:34 AM
D-E Cnt#2 Stn#3 TEAKIN
\$40.00 \$5.00 \$6.00 \$11.00 - Total = \$62.00



I, Jerry Hanson, Director of Assessment and Taxation and Ex-Officio County Clerk for Washington County, Oregon, do hereby certify that the within instrument of writing was received and recorded in the book of records of said county.
Jerry Hanson
Jerry R. Hanson, Director of Assessment and Taxation, Ex-Officio County Clerk



AFTER RECORDING, RETURN TO:

Peter Livingston
Schwabe, Williamson & Wyatt, P.C.
1211 S.W. Fifth Avenue, Suite 1700
Portland OR 97204

**ADVERSE IMPACTS EASEMENT
AND
NEGATIVE COVENANTS**

THIS ADVERSE IMPACTS EASEMENT AND NEGATIVE COVENANTS ("Easement") is executed effective April 28, 2006, by and between FRANCIS J. VANDERZANDEN, trustee of the FRANCIS J. VANDERZANDEN LIVING TRUST dated July 22, 1997 ("Vanderzanden"), and JEFFREY M. GARBARINO and LUANA J. GARBARINO (collectively, "Garbarino").

RECITALS:

A. Vanderzanden is the owner of the real property described on Exhibit "A" which is attached hereto (the "Vanderzanden Property"). The Vanderzanden Property is currently zoned for commercial (C-2) use.

B. Garbarino is the owner of the real property described on Exhibit "B" which is attached hereto (the "Garbarino Property"). The Garbarino Property is currently zoned for industrial use and is used for solid waste handling and recycling.

C. The Garbarino Property is adjacent to the Vanderzanden Property. Vanderzanden is seeking to have the Vanderzanden Property rezoned for residential use and intends to redevelop the Vanderzanden Property as a multi-family residential development.

NOW, THEREFORE, it is agreed as follows.

1. Development and Use of the Garbarino Property.

Garbarino shall have the right to use and develop all or any part of the Garbarino Property in any manner not expressly prohibited by applicable laws and regulations, including zoning code provisions at the times such use or development is commenced. Vanderzanden expressly acknowledges that such development and uses may include a broad range of commercial, industrial, warehousing, office or other developments or uses, any or all of which may disturb owners or residents on the Vanderzanden Property by producing noise, vibration, odors, dust, artificial light, impairment of view and natural light, loss of privacy, and other adverse impacts of



1 - ADVERSE IMPACTS EASEMENT AND NEGATIVE COVENANTS
PDX/055555/033333/KMP/1396767.3

a similar or dissimilar nature, including but not limited to those impacts described on Exhibit "C" which is attached hereto (the adverse impacts described in this sentence, including those referenced in Exhibit "C" are collectively the "Adverse Impacts"). It is further acknowledged by Vanderzanden that the Adverse Impacts may occur twenty-four (24) hours per day, seven (7) days per week. It is specifically agreed that the Garbarino Property may be developed and used in a manner which creates Adverse Impacts, notwithstanding that such Adverse Impacts may otherwise be construed as trespasses, nuisances, or other impairments to the use and enjoyment of the Vanderzanden Property. Vanderzanden hereby waives any right to object to the Adverse Impacts, and hereby waives all claims and causes of action now or hereafter arising (including claims for nuisance and trespass) against Garbarino, its successors and assigns, all tenants and occupants of the Garbarino Property, and all contractors, agents and invitees of the foregoing, arising from or in any way related to the use or development of the Garbarino Property. Vanderzanden hereby grants to Garbarino a nonexclusive easement over the Vanderzanden Property for the benefit of the Garbarino Property, to create and to continue all Adverse Impacts. This easement is an equitable servitude that runs with the land, is perpetual and inures to the benefit of Garbarino and his successors and assigns as to all portions of the Vanderzanden Property. Vanderzanden hereby covenants and agrees not to object to any land use application, permit application or other application or request by the owner or occupant of all or any part of the Garbarino Property for any development or use of the Garbarino Property. Vanderzanden acknowledges that this document shall be recorded and agrees that Garbarino may otherwise file and publish this document. Vanderzanden shall put all tenants and other occupants of the Vanderzanden Property on notice as to the terms of this Easement, including putting such notice in any written occupancy agreements and tenant leases for the Vanderzanden Property.

2. Development and Use of the Vanderzanden Property.

Vanderzanden shall have the right to use and develop all or any part of the Vanderzanden Property in any manner consistent with the rezoning of the Vanderzanden Property to the R-2.5 zoning designation under the applicable zoning code. Garbarino hereby waives any right to object to the uses allowed in the R-2.5 zoning designation, and hereby waives all claims and causes of action now or hereafter arising (including claims for nuisance and trespass) against Vanderzanden, its successors and assigns, all tenants and occupants of the Vanderzanden Property, and all contractors, agents and invitees of the foregoing, arising from or in any way related to the use or development of the Vanderzanden Property in accordance with the uses allowed in the R-2.5 zoning designation. Garbarino hereby grants to Vanderzanden a nonexclusive easement over the Garbarino Property for the benefit of the Garbarino Property, to effectuate the rights created by this Section 2. This easement is an equitable servitude that runs with the land, is perpetual and inures to the benefit of Vanderzanden and his successors and assigns as to all portions of the Garbarino Property. Garbarino hereby covenants and agrees not to object to any land use application, permit application or other application or request by the owner or occupant of all or any part of the Vanderzanden Property for any development or use of the Vanderzanden Property that is consistent with the rights created in this Section 2. Garbarino acknowledges that this document shall be recorded and agrees that Vanderzanden may otherwise

2 - ADVERSE IMPACTS EASEMENT AND NEGATIVE COVENANTS
PDX/055555/033333/KMP/1396767.3

file and publish this document. Garbarino shall put all tenants and other occupants of the Garbarino Property on notice as to the terms of this Easement, including putting such notice in any written occupancy agreements and tenant leases for the Garbarino Property.

3. Successors and Assigns.

The provisions of this Easement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. The provisions hereof shall be covenants running with the land. The provisions set forth in Section 1 burden the Vanderzanden Property for the benefit of the Garbarino Property, as the same may be subdivided and developed from time to time. The provisions set forth in Section 2 burden the Garbarino Property for the benefit of the Vanderzanden Property, as the same may be subdivided and developed from time to time. All family members, tenants, affiliated entities, and successor owners of all or a portion of the Vanderzanden Property and the Garbarino Property are bound by this Easement.

4. Waiver and Modification.

This Easement may not be modified, and no right of a party shall be terminated, modified or waived in any respect whatsoever, in whole or in part, except only by a written agreement signed by such party expressly setting forth such modification, termination or waiver, which agreement must be notarized; any such agreement shall then be effective only when it is recorded in the county records. The failure of a party to insist upon strict performance of any provision of this Easement shall not be deemed a waiver of any right or remedy, or a waiver of the right to insist upon strict performance of this Easement in the future. This Easement shall be construed liberally to allow any and all use and development of the Garbarino Property. This Easement shall be construed liberally to allow any and all use and development of the Vanderzanden Property consistent with the R-2.5 zoning designation. This Agreement shall not be adversely construed against the drafter. If any term or provision of this Easement or the application of it to any person or circumstance shall be held to be invalid, unenforceable or void, then (a) such provision shall be enforced and enforceable to the greatest extent allowed by law, and (b) the remaining provisions of this Easement shall remain fully valid and enforceable. The captions and headings of this Easement shall not limit the rights and protections given to either party by this Easement.

5. Enforcement.

The parties agree that it may be difficult or impossible to measure in money the damages which a party will suffer by reason of a violation of this Easement by the other party. Therefore, each party hereby waives the claim or defense that the other party has an adequate remedy at law in the event of such a violation, and neither party shall urge in any such action the claim or defense that the other party has an adequate remedy at law. In the event of a violation or threatened violation of this Easement by a party, the other party hereby consents to the granting of a temporary restraining order or injunction, and thereafter a permanent injunction, against the party violating or threatening to violate this Easement, by any court of competent jurisdiction

3 – ADVERSE IMPACTS EASEMENT AND NEGATIVE COVENANTS
PDX/055555/033333/KMP/1396767.3

prohibiting such party from violating any provisions of this Easement; no bond shall be required in connection with any such order or injunction. In the event of litigation with respect to this Easement, the prevailing party shall be entitled to recover, in addition to all other sums and relief, its reasonable costs and attorney fees incurred at and in preparation for arbitration, discovery (including depositions), trial, appeal and review.

6. Indemnities.

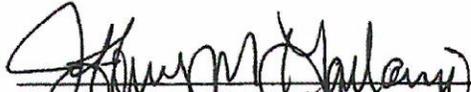
Vanderzanden agrees to reimburse, indemnify, defend, protect, and hold Garbarino harmless from all claims, losses, demands, actions, causes of action, liabilities, and expenses (including reasonable attorney fees and court costs) arising out of claim brought in contravention of the terms and spirit of Section 1 of this Easement by Vanderzanden's family members, affiliates, tenants or other occupants of the Vanderzanden Property, and other related third-parties. Garbarino agrees to reimburse, indemnify, defend, protect, and hold Vanderzanden harmless from all claims, losses, demands, actions, causes of action, liabilities, and expenses (including reasonable attorney fees and court costs) arising out of claim brought in contravention of the terms and spirit of Section 2 of this Easement by Garbarino's family members, affiliates, tenants or other occupants of the Garbarino Property, and other related third-parties.

IN WITNESS WHEREOF, this Easement has been executed as of the date and year first above written.

VANDERZANDEN:


FRANCIS J. VANDERZANDEN, Trustee

GARBARINO:


JEFFREY M. GARBARINO

LUANA J. GARBARINO

Exhibits (3):

- Exhibit "A" - LEGAL DESCRIPTION OF THE VANDERZANDEN PROPERTY
- Exhibit "B" - LEGAL DESCRIPTION OF THE GARBARINO PROPERTY
- Exhibit "C" - LIST OF ADDITIONAL ADVERSE IMPACTS

4 - ADVERSE IMPACTS EASEMENT AND NEGATIVE COVENANTS
PDX/055555/033333/KMP/1396767.3

OFFICE OF
PUBLIC
AFFAIRS
EXPERIENCE

OFFICE OF
PUBLIC
AFFAIRS
EXPERIENCE

STATE OF Oregon)
) ss.
County of Washington

The foregoing instrument was acknowledged before me this 15 day of May, 2006, by JEFFREY M. GARBARINO as his voluntary act and deed.

Dated: May 15, 2006



Amber Mathiesen
Name printed Amber Mathiesen
Notary Public for the State of Oregon
My Appointment Expires: January 4, 2008

STATE OF Oregon)
) ss.
County of Washington

The foregoing instrument was acknowledged before me this 15 day of May, 2006, by LUANA J. GARBARINO as her voluntary act and deed.

Dated: May 15, 2006



Amber Mathiesen
Name printed Amber Mathiesen
Notary Public for the State of Oregon
My Appointment Expires: January 4, 2008

STATE OF Oregon)
) ss.
County of Washington

The foregoing instrument was acknowledged before me this 28 day of April, 2006, by FRANCIS J. VANDERZANDEN, trustee, as his voluntary act and deed.

Dated: April 28, 2006



Debbie Owens
Name printed Debbie Owens
Notary Public for the State of Oregon
My Appointment Expires: Sept 23, 2008

5 - ADVERSE IMPACTS EASEMENT AND NEGATIVE COVENANTS
PDX/055555/033333/KMP/1396767.3

EXHIBIT A
LEGAL DESCRIPTION
OF THE VANDERZANDEN PROPERTY

Lots 5, 6, 7, 8, 9, 10, 11, 12 and the West one-half of Lot 4, Block 20, NORTH PLAINS, in the City of Hillsboro, County of Washington, State of Oregon.

1 - EXHIBIT A
PDX/055555/033333/KMP/1396767.3

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EXHIBIT B
LEGAL DESCRIPTION
OF THE GARBARINO PROPERTY

Lots 2 through 9, inclusive, Block 17, NORTH PLAINS, in the City of North Plains, County of Washington and State of Oregon.

1 - EXHIBIT B
PDX/055555/033333/KMP/1396767.3

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EXHIBIT C

LIST OF ADDITIONAL ADVERSE IMPACTS

Truck storage and dispatch at all hours
Container & drop box storage
Night time security lighting
Truck repair shop
Odor
Traffic
Sorting

1 - EXHIBIT C
PDX/055555/033333/KMP/1396767.3

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3
18
SON
2816
2008

EXHIBIT H



REC'D APR 10 2014

City of North Plains

31360 NW Commercial St. North Plains, OR 97135
 Ph. 503-647-5555 Fax 503-647-2031
 Email: info@northplains.org

GENERAL LAND USE APPLICATION

Applicant General Information

Applicant Name: John A. Rankin, LLC.

Mailing Address: 26715 SW Baker Road
Street Apartment/Unit #

Sherwood, Oregon 97140
City State ZIP Code

Email Address: john@johnrankin.com Phone: (503-625-9710)

Property Owner: Francis J. Vanderzanden, Trustee of 1997 Vanderzanden Trust

Mailing Address: c/o John A. Rankin, LLC.
Street Apartment/Unit #

same
City State ZIP Code

Email Address: same Phone: () -

Property Description

Address: 275 Commercial Ave New Address 30933
Street Apartment/Unit #

North Plains, Oregon 97133
City State ZIP Code

Tax Lot ID: 1N301DA 3101&3102 Existing Zoning: R 2.5

Property Area: 40,000 sq. ft. Existing Land Use: Vacant

General Development Description: Request for two-year extension of development permit approval dated May 11, 2007 (SD.VAR-07-0002) for a 15-unit townhouse project.

Fees

Land Use Process	Fee	Land Use Process	Fee
<input type="checkbox"/> Annexation	\$10,000 deposit*	<input type="checkbox"/> Non-Conforming Use	\$200
<input type="checkbox"/> Appeal	\$218	<input type="checkbox"/> Subdivision	\$2,615
<input type="checkbox"/> Comp Plan Amendment, Text	\$8,000	<input type="checkbox"/> Manu Home Park	\$3,372
<input type="checkbox"/> Comp Plan Amendment, Map	\$5,000	<input type="checkbox"/> Modification – Minor	\$142
<input type="checkbox"/> Conditional Use, Residential	\$328	<input type="checkbox"/> Modification – Major	\$1,941
<input type="checkbox"/> Conditional Use, Ind. & Comm.	\$544	<input type="checkbox"/> SNR Permit	\$1,486
<input type="checkbox"/> Design Review Type II	\$175	<input type="checkbox"/> Similar Use	\$567**
<input type="checkbox"/> Design Review Type III	\$879	<input type="checkbox"/> Street Vacation	\$1,441
<input type="checkbox"/> Floodplain Permit	\$1,699	<input type="checkbox"/> UGB Expansion	\$28,000
<input type="checkbox"/> Partition, with street dedication	\$669	<input type="checkbox"/> Variance, Administrative	\$105
<input type="checkbox"/> Partition, no street dedication	\$331	<input type="checkbox"/> Variance, PC Hearing	\$1,078
<input type="checkbox"/> Lot Line Adjustment	\$202	<input type="checkbox"/> Zoning Code Amendment	\$2,621
<input checked="" type="checkbox"/> Other: <u>Two-Year Extension of Development Permit Approval.</u>			<u>\$146-</u>

* plus \$9,000 election deposit ** waived until 2013

Information to Include with Your Application

- Narrative describing the Development Proposal and addressing the Decision Criteria. *All applications will be reviewed based on the criteria of North Plains Zoning Ordinance.* Ask Staff for the applicable chapters to address in your narrative.
- Application and fee
- Plans drawn to scale showing:
 - All property boundaries in which development is occurring
 - All adjacent roads (with names and dimensions)
 - Location and dimensions of all existing and proposed accessways/driveways
 - Location, number, dimensions, setbacks, and types of existing and proposed utilities, including water, sewer, stormwater, electric, gas, phone, and cable
 - Location, size (area), and setbacks of all existing and proposed fire hydrants
 - Location, size (area), and setbacks of all existing and proposed buildings and structures
 - Location, size (area), and layout of existing and proposed landscaping
 - Location, number and dimensions of existing and proposed parking areas, including handicapped spaces
 - Location, number and dimensions of existing and proposed loading areas
 - Location, number, dimensions, and types of existing and proposed lighting
 - Location, number, dimensions, setbacks, and types of existing and proposed fencing and or/screening
 - Location, number, dimensions, setbacks, and types of existing and proposed mechanical equipment, such as rooftop equipment and transformer boxes. Show any screening of proposed equipment.
 - Pedestrian circulation
 - Outdoor seating areas
 - Flood plains
 - Water courses
 - Significant vegetation
 - Easements
- If required, mailing labels for all property owners and residents within 250 feet of the subject property or properties. A list of property owners/site addresses may be obtained from a title insurance company. Please ask staff if mailing labels are required for your application.
- If required, a traffic study shall be submitted. Please ask staff if a traffic study is required.

After initial review, the City may require additional information.

Additional Information

In order to expedite and complete the processing of this application, the City of North Plains requires that all pertinent material required for review of this application be submitted at the time application is made. If the application is found to be incomplete, review and processing of the application will not begin until the application is made complete.

I certify that the statements made in this application are complete and true to the best of my knowledge. I understand that any false statements may result in denial of this application.

I understand that there may be additional costs of processing this application including, but not limited to, planning, engineering, city attorney and administration. The City will notify the applicant if there will be additional costs.

Date: 4/10/14 Signature of Applicant: [Signature]

Date: 4/10/14 Signature of Property Owner: [Signature]

FOR OFFICE USE			
Received by: <u>Sena White</u>		Date: <u>4/10/14</u>	
Fee paid: <u>\$146.00</u>	Receipt No. <u>0146074</u>	Application No. _____	

JOHN A. RANKIN, LLC.
Attorney at Law
26715 SW Baker Road
Sherwood, Oregon 97140
(503) 625-9710 / Fax (503) 625-9709
email: john@johnrankin.com

VIA EMAIL AND FAX (2 pages total)

April 9, 2014

Martha DeBry, City Manager
Planning Commission
City of North Plains
31360 NW Commercial Street
North Plains, OR 97133
Phone: 503-647-5555
FAX: 503-647-2031

**RE: Petition Request for Two Year Extension (Per ZDC Section 16.135.020)
Of Planning Commission Tentative Plan Approval, dated May 11, 2007
Vanderzanden Townhouses – Subdivision & Variance – SD/VAR-07-0002.
Applicant/Owner: John A. Rankin/Frank J. Vanderzanden.**

Dear Martha and Planning Commissioners:

Please accept this letter as Mr. Vanderzanden's and my request for an additional two-year extension of the City's original May 11, 2007 Tentative Plan approval for the above noted development of Mr. Vanderzanden's Commercial Avenue property which he has owned for a number of years. Please place this request on the agenda for your next regularly scheduled Planning Commission Meeting.

We have requested this extension because Section 16.135.020¹ gives the Planning Commission the

¹ **16.135.020 Expiration of Tentative Approval** Approval of the tentative plan shall become null and void if a final plat in accordance with these regulations is not submitted within one year after the date of the approval of the tentative plan. If the subdivider cannot complete the preparation of the final plat within the one year time period, he may petition the commission an extension of the subdivision approval in accordance with the provisions of Section 16.00.080.

16.00.080 Termination of Approvals and Extensions Except as otherwise provided in this Ordinance, approval of an application or permit is void after one year or such lesser time as the approval may specify unless substantial construction has taken place or the proposed use has occurred. Approval of a large-scale subdivision or PUD is void after two years or such lesser time as the approval may specify unless substantial construction has taken place or the proposed use has occurred. In the case of an administrative decision, the City may grant two year extensions for subdivisions and PUDs. The City may also grant two-year extensions of a PUD, land partition or subdivision approval that expired between January 1, 2008 and January 1, 2013. The request for an extension must be filed at City Hall on or before the expiration date. The applicant is responsible for requesting an extension. An extension is a discretionary decision and is not granted automatically. The following criteria must be satisfied in order for the City to approve an extension:

- A. The City determines just cause for the delay and the reason for the delay is outside the control of the applicant.

authority to grant an additional two year extension if the delay is caused by circumstances out of our control, and because, as you know, the housing market in Washington County as well as the rest of the United States although it continues to gradually improve, the market for attached townhouse residential developments is still presently very difficult and sales of such developments are very few.

We have finally and recently received our first offer for purchase of the property as approved, but the purchase price is 40% less than what the market should be for townhouse developments and nearly 15% of the asking price in 2006 before approval of the townhouse development and before the real estate recession.

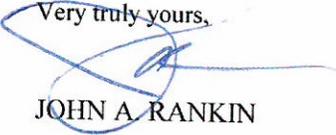
Because I continue to have a number of clients who have raw land properties which I have been attempting to market to the development community, I regularly talk to developers, real estate brokers and lenders. There are clearly active locations in Washington County – North Bethany, for example, but for detached single family and apartment complexes only. You may have read in the Oregonian that one economist was quoted as saying that he expected the housing industry to not fully return until 2015 at the earliest.

Therefore, we respectfully request that you grant us an additional two-year extension on the City's original Tentative Plan Approval for the Vanderzanden Townhouse Subdivision.

Also, would the City entertain a modification of the current approval on this property to a multi-family apartment development.

If you have any questions or comments or need additional information or anything else, please call me or email me. Thank you for your help with this project and our extension request.

Very truly yours,


JOHN A. RANKIN

JAR/bhs

Attachments: None.

pc: Frank Vanderzanden via email
Rodney Linz via email

B. No significant changes to the applicable standards of this Ordinance or the applicable regulations of other affected jurisdictions (Clean Water Services, Washington County, Washington County Fire District, etc) have been made. Any extension requests shall be referred to affected city departments or other governmental jurisdictions for comment.

C. No significant changes have been made to properties within 250 feet of the exterior boundaries of the subject property.

Sent: Monday, May 05, 2014 11:53 AM

To: Martha DeBry

Cc: Margaret Reh

Hi Martha:

Following up on our phone conversation today, I will plan on attending the Planning Commission Meeting at 7:00 pm on May 14th at the Senior Center and will be available to answer any questions or concerns.

Please kindly place this email and the following in your staff report for consideration by the Planning Commission.

Regarding additional information on the reasons why we have not been successful in marketing the 15-unit Townhome project to date and need the extension:

At the time we received preliminary approval the market for townhomes was strong and lenders were providing attractive terms for construction and take-out financing on townhomes.

We received approval just as the real estate market in general was collapsing.

Since receiving approval, we have been target marketing the property to developer/builders over the last many years with increased focus just this last year as the overall market began to appear to recover enough that a townhome project might be attractive again.

But townhome projects continue to be more difficult to market even in the recent improving real estate market, because:

- a. Construction and take-out lenders are very few or non-existent who are even interested in single family attached housing and if they are their terms are not attractive.
- b. I understand that Wells Fargo is the only lender who might do a take-out loan on townhome project which has been constructed using construction financing by others.

- c. We have no meaningful sales data on townhomes because very few have been constructed and sold in Washington County in recent years comparable to this project.
- d. When they do sell in the current market, townhomes usually now sell for about 15% less per square foot than single family detached homes.
- e. The current demographic for townhome buyers is very limited now and is predominantly divorced single females.
- f. The developer must create and pre-fund and stay in the homeowners association, and HOA's have fallen out of favor in the market place themselves with the market collapse and resulting HOA litigation.

Please note that this 15-unit project is a small project which is not part of a larger project single family detached housing project such as was recently approved by the City for Polygon NW. Only a very limited number of builders are interested in townhomes at this time and those few developers who build townhomes build them as the last units built after their single family detached homes. I have left a voice message for Fred Gast of Polygon to get additional information.

None of the problems now associated with townhomes existed when we obtained the original approval and the City liked (and I understand still likes) the idea of owner/occupied small lot detached and townhome density, instead of apartments.

To broaden the marketing effort, we placed a "for sale" sign on the property nearly one year, and received a flurry of calls from potential buyers from Habitat for Humanity to out of town developer/builders – none of whom have made an offer. Most were looking to make a purchase at the very depressed previous market prices.

Our target marketing has produced one letter of intent from a local Metro developer/builder for a purchase price of approximately two-thirds of what we and the owners think the reasonable market should be right now for townhomes. DR Horton, Lennar and Arbor/West Hills are still not interested in attached housing with Arbor moving solidly into the apartment market.

The current market continues to gradually improve (although the lenders are still not funding townhomes) and we are finally getting some traction with our target marketing effort, but we need more time to market the property and consider other options for the property.

We expect a reasonable price offer before the end of this year assuming the market continues to improve, and request the additional two year extension which we expect to be the last needed for this project.

I will provide more information and be available to answer questions at the PC meeting. If you have any questions or comments, please email or call me. Thanks for your help. All the best!

30933 COMMERCIAL STREET

COMMENTS: I think if it is up for sale, it should not be allowed to be zoned for 15 unit. Future owner may have other ideas of what they would want to do w/ the property. They could apply for appropriate zoning at that time.
I personally, ^{owner} of a single family house across the street from this property, do not want multi family on this property.

Name: Shamarie Valley

Organization or Business (If Any): _____

Address: 30856 NW Commercial St. N/Plains

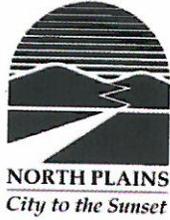
Phone # (Optional): 503-936-5201

Date: 4-28-14

Please return by one of the following ways:

MAIL: 31360 NW Commercial Street, North Plains, OR 97133
IN PERSON: City Hall, 31360 NW Commercial Street, North Plains, OR
E-MAIL: martha@northplains.org
PHONE: (503) 647-5555

Please contact City Hall at (503) 647-5555 with any questions
Thank you!



STAFF REPORT

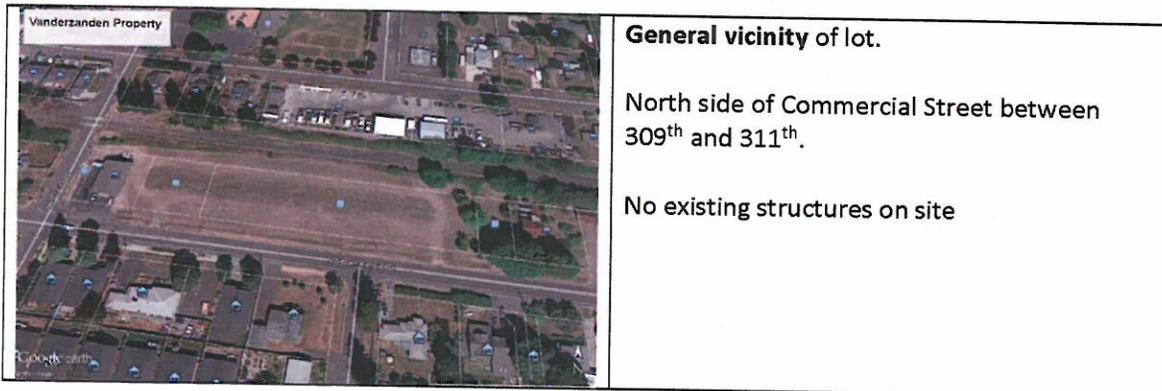
Date: April 22, 2014

To: Planning Commission

From: Martha DeBry, City Manager

Subject: Extension of Map Approval

REQUEST: Extend the subdivision approval for SD, VAR 07-0002
APPLICANT John Rankin, 26715 SW Baker Road, Sherwood Oregon 97140
OWNER: 1997 Vanderzanden Trust
TAX LOT ID Tax Lot 1N301DA3101 1N301DA3101
SIZE: 1.44 Acres
LOCATION: 30933 NW Commercial Street
LAND- USE DISTRICT: R2.5



I. APPLICABLE REGULATIONS

- A. City of North Plains Comprehensive Plan
- B. North Plains Zoning and Development Ordinance:
 - Chapter 16.00: General Provisions
 - Chapter 16.135.020 Subdivision
 - Chapter 16.170: Application Requirements and Review Procedures

II. **AFFECTED JURISDICTIONS**

Domestic Water:	City of North Plains
Drainage:	Clean Water Services
Erosion Control:	Clean Water Services
Fire Protection:	Washington County Fire District #2
Parks:	City of North Plains
Police Protection:	City of North Plains
Schools:	Hillsboro School District
Sewer:	Clean Water Services
Streets:	City of North Plains
Water Quality/Quantity:	Clean Water Services

III. **BACKGROUND:**

The applicant is requesting an extension of an approval first granted in 2007. Due to a downturn in the economy the project was delayed and five extensions were subsequently granted. (2008, 2009, 2010, 2011, and 2012). The current extension is due to expire in May 2014. The applicant has requested the extension under 16.135.020 which provides the Commission with the authority to extend an approval if the delay is caused by circumstances out of the owner's control. In this instance the applicant is stating the economic downturn remains a barrier to the development of attached townhomes.

IV. **FINDINGS**

A. **NORTH PLAINS COMPREHENSIVE PLAN**

***FINDING:** Except where required by the North Plains Zoning and Development Ordinance, this application is not required to address the city's goals and policies related to the development of land, since the North Plains Comprehensive Plan is implemented by the municipal code.*

B. **NORTH PLAINS ZONING AND DEVELOPMENT ORDINANCE**

Below are applicable citations/applicable review criteria from the *North Plains Zoning Ordinance* and findings in response to the criteria. Unless discussed below, the applicant has met the requirements of the applicable review criteria fully, and/or the Code's criteria are not applicable to this proposal and therefore do not warrant discussion.

16.00.080 Termination of Approvals and Extensions

16.00.080 Termination of Approvals and Extensions

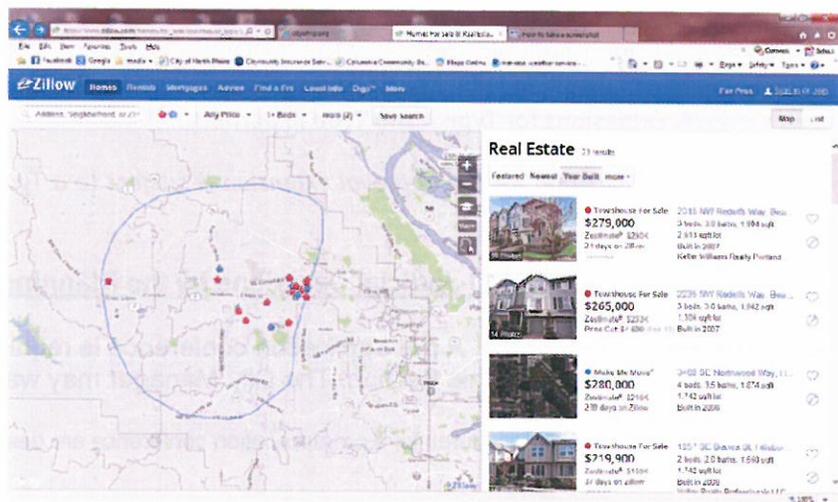
Except as otherwise provided in this Ordinance, approval of an application or permit is void after one year or such lesser time as the approval may specify unless substantial construction has taken place or the proposed use has occurred. Approval of a subdivision or PUD is void after two years or such lesser time as the approval may specify unless substantial construction has taken place or the proposed use has occurred.

The Planning Commission may grant two year extensions for subdivisions and PUDs and one year extensions for all other applications. The Planning Commission may also grant two-year extensions of a PUD, land partition or subdivision approval that expired between January 1, 2008 and January 1, 2013. Extensions may be granted administratively if the original approval was made administratively. The request for an extension must be filed with the City on or before the expiration date.

The applicant is responsible for requesting an extension. An extension is a discretionary decision and is not granted automatically. The following criteria must be satisfied in order for the City to approve an extension:

- A. The City determines just cause for the delay and the reason for the delay is outside the control of the applicant.
- B. No significant changes to the applicable standards of this Ordinance or the applicable regulations of other affected jurisdictions (Clean Water Services, Washington County, Washington County Fire District, etc) have been made. Any extension requests shall be referred to affected city departments or other governmental jurisdictions for comment.
- C. No significant changes have been made to properties within 250 feet of the exterior boundaries of the subject property.

Previously the City has recognized the economic downturn as a valid reason for extending an approval. With the application, the applicant did not provide any hard evidence that the “market for attached townhouse residential developments is still presently very difficult and sales of such developments are very few.” At this time there are no townhomes for sale in North Plains. Sales of attached single family homes has been successful in North Plains, as demonstrated by the completion of Cottage Pointe. There are approximately 23 townhomes for sale in the North Plains area (from Cornell east to Forest Grove) according to Zillow on 4/22/14. There is wide availability of condominiums in the area, which would suggest that attached housing is not scarce but also not readily available within a couple miles of North Plains. The Sunset Ridge development in the eastern part of the City includes townhouse units and is expected to break ground this year. Credit markets have improved in recent years, however funding may still be difficult for this kind of stand alone project. The applicant



was asked to provide additional information about the application, which is included as Attachment A of this report.

There has been no additional construction in the past two years in the immediate area of the property. One minor partition was approved on Commercial Street.

Finding: The economy is still recovering from the effects of the great recession.

Finding: There have been no substantial changes in the standards of the Municipal code or regulations of other affected jurisdictions.

Finding: There have been no significant changes to properties within 250 feet of the project.

Chapter 16.135 APPLICATION REQUIREMENTS AND REVIEW PROCEDURES

16.135.020 Expiration of Tentative Approval

Approval of the tentative plan shall become null and void if a final plat in accordance with these regulations is not submitted within one year after the date of the approval of the tentative plan. If the subdivider cannot complete the preparation of the final plat within the one year time period, he may petition the commission an extension of the subdivision approval in accordance with the provisions of Section 16.00.080

Finding: The Planning Commission has authority to extend the approval of the map.

Chapter 16.170 APPLICATION REQUIREMENTS AND REVIEW PROCEDURES

16.170.000 General Provisions

The following lists set forth the type of review procedure for administrative and land use applications:

C. Type III Quasi-Judicial Permits by Planning Commission

4. Extensions for Type II and Type III permits

Finding: The application for the approval extension is subject to a Type III review before the Planning Commission.

16.170.012 Type III Quasi-Judicial Decisions by the Planning Decision

Pre-application Conference. A pre-application conference is required for all Type III quasi-judicial applications under this Section. The City Manager may waive this requirement.

A. The requirements and procedures for a pre-application conference are described in Chapter 16.170.001.

Finding: The City Manager waived the requirement for a preapplication conference.

B. Application Requirements.

Finding: the applicant met application requirements.

C. Notice of Hearing.

1. Mailed notice. The City shall mail the notice of the Type III application. The records of the Washington County Assessor's Office are the official records for determining ownership. Notice of the initial hearing or an appeal hearing shall be given by the City in the following manner:
 - a. At least 20 days before the hearing date, notice shall be mailed...:
 - b. Content of Notice. Notice of appeal of an application or notice of a public hearing to be mailed and published per Subsection 1 above shall contain the following information...

Finding: Notices were mailed in accordance with code requirements to property owners within 250 feet.

V. SUMMARY AND CONCLUSIONS

Based upon the findings of this report and the submitted material, the applicant has demonstrated compliance with the requirements of the relevant sections of the North Plains Zoning and Development Ordinance for the requested approval. The Planning Commission can make a discretionary decision to extend the approval if it finds the information in the application is adequate to merit an extension.

Attachment A

Letter from John Rankin Regarding Economic Conditions:

Hi Martha:

Following up on our phone conversation today, I will plan on attending the Planning Commission Meeting at 7:00 pm on May 14th at the Senior Center and will be available to answer any questions or concerns.

Please kindly place this email and the following in your staff report for consideration by the Planning Commission.

Regarding additional information on the reasons why we have not been successful in marketing the 15-unit Townhome project to date and need the extension:

1. At the time we received preliminary approval the market for townhomes was strong and lenders were providing attractive terms for construction and take-out financing on townhomes.
2. We received approval just as the real estate market in general was collapsing.
3. Since receiving approval, we have been target marketing the property to developer/builders over the last many years with increased focus just this last year as the overall market began to appear to recover enough that a townhome project might be attractive again.
4. But townhome projects continue to be more difficult to market even in the recent improving real estate market, because:
 - a. Construction and take-out lenders are very few or non-existent who are even interested in single family attached housing and if they are their terms are not attractive.
 - b. I understand that Wells Fargo is the only lender who might do a take-out loan on townhome project which has been constructed using construction financing by others.
 - c. We have no meaningful sales data on townhomes because very few have been constructed and sold in Washington County in recent years comparable to this project.
 - d. When they do sell in the current market, townhomes usually now sell for about 15% less per square foot than single family detached homes.
 - e. The current demographic for townhome buyers is very limited now and is predominantly divorced single females.
 - f. The developer must create and prefund and stay in the homeowners association, and HOA's have fallen out of favor in the market place themselves with the market collapse and resulting HOA litigation.
5. Please note that this 15-unit project is a small project which is not part of a larger project single family detached housing project such as was recently approved by the City for Polygon NW. Only a very limited number of builders are interested in townhomes at this time and those few developers who build townhomes build them as the last units built after their single family detached homes. I have left a voice message for Fred Gast of Polgon to get additional information.
6. None of the problems now associated with townhomes existed when we obtained the original approval and the City liked (and I understand still likes) the idea of owner/occupied small lot detached and townhome density, instead of apartments.

7. To broaden the marketing effort, we placed a "for sale" sign on the property nearly one year, and received a flurry of calls from potential buyers from Habitat for Humanity to out of town developer/builders – none of whom have made an offer. Most were looking to make a purchase at the very depressed previous market prices.
8. Our target marketing has produced one letter of intent from a local Metro developer/builder for a purchase price of approximately two-thirds of what we and the owners think the reasonable market should be right now for townhomes. DR Horton, Lennar and Arbor/West Hills are still not interested in attached housing with Arbor moving solidly into the apartment market.
9. The current market continues to gradually improve (although the lenders are still not funding townhomes) and we are finally getting some traction with our target marketing effort, but we need more time to market the property and consider other options for the property.
10. We expect a reasonable price offer before the end of this year assuming the market continues to improve, and request the additional two year extension which we expect to be the last needed for this project.

I will provide more information and be available to answer questions at the PC meeting. If you have any questions or comments, please email or call me. Thanks for your help. All the best!

John

John A. Rankin, LLC.
26715 SW Baker Road
Sherwood, Oregon 97140
Voice: 503-625-9710/Fax: 503-625-9709
Email: john@johnrankin.com

**BEFORE THE PLANNING COMMISSION
OF THE CITY OF NORTH PLAINS**

IN THE MATTER OF)
DESIGN REVIEW, SUBDIVISION,) **FINAL FINDINGS**
VARIANCE) **AND ORDER**
JOHN RANKIN)
SD-DR-VAR-07-0002)

I. APPLICABLE CRITERIA:

- A. Chapter 16.08 of the Zoning and Development Code, Multi-Family Residential Zoning District, R-2.5.
- B. Chapter 16.28 of the Zoning and Development Code, Duplex, Triplex and Attached Single Family Dwelling.
- C. Chapter 16.30 of the Zoning and Development Code, Public Facility and Service Requirements.
- D. Chapter 16.31 of the ZDO, General Development Standards, Street Standards.
- E. Chapter 16.32 of the ZDO, General Development Standards, Development Standards for Land Divisions.
- F. Chapter 16.33 of the ZDO, Off Street Parking and Loading.
- G. Chapter 16.38 of the ZDO, Clear Vision Areas.
- H. Chapter 16.57 of the ZDO, Subdivisions.
- I. Chapter 16.80 of the ZDO, Public Notice Requirements.
- J. Chapter 16.82 of the ZDO, Public Hearing Before the Planning Commission.

II. FINDINGS OF FACT:

- A. Location: Property identified as Tax Lots 3101 and 3102, Map No. 1N301DA. The subject property is located on the north side of Commercial Street, east of 311th Avenue and contains approximately 50,000 square feet. It is currently vacant. Please see attached map for more information.
- B. Comprehensive Plan Designation: The land use designation of the subject property is High Density Residential (R-2.5) on the City's Comprehensive Plan. Adjacent property to the east, west and north is Commercial (COMM). Property to the south across Commercial Street is designated Medium/High Density Residential (R-5). The property is not located within the 100 - year flood plain and does not contain Significant Wetlands, Significant Natural Resources, or Wildlife Habitat.

- C. Zoning: The site is zoned Multi/Family Residential (R-2.5). Property to the north, east and west is zoned Highway Commercial (C-2). Property to the south is zoned Single Family Residential (R-5).
- D. Existing Improvements: The subject property is currently vacant. Public facility improvements constructed in front of the property include an open storm water system, sanitary sewer line, water line.
- E. Availability of Public Services: The property currently has access to City water and sewer. The water and sewer lines are located in the right-of-way of NW Commercial Street. The subject property has direct access to NW Commercial Street. The subject property is served by City police and Washington County Fire District No.2 fire protection.
- F. Proposed Application: An application for a fifteen lot subdivision, with each lot ranging in size from 2,600 square feet to 3,090 square feet.

On March 5, 2007 Notices of Public Hearing were mailed to all property owners within 250 feet of the subject property and published in the Argus, on March 9, 2007. A supplemental public hearing notice was published on March 30, 2007 and mailed to the property owners within 250 feet of the subject property. Land Use Action Referrals were mailed to all affected public agencies on March 5, 2007. The application was deemed complete on March 2, 2007. On April 11, 2007 the Planning Commission will conduct a public hearing to discuss and make a decision regarding this application. The City must take final action including all appeals on this application no later than June 30, 2007

- G. Adjacent Land Uses: Adjacent land to the north is Portland and Western Railroad right of way, and north of that the land is developed for a garbage and recycling business and single family residences. Land to the east is mostly vacant, land to the west is developed with a cabinet business. Land to the south is developed with single family residences, and a church.

III. AGENCY RECOMMENDATIONS AND WRITTEN TESTIMONY:

Agency referrals were mailed to all affected agencies and organizations. The Fire Department had the following comments:

1. 20' minimum clear width maintained in alley at all times, i.e. no parking in front of garages.
2. Adequate signs and paint to identify fire lane.

Clean Water Services responded with the following comments:

GENERAL COMMENTS

1. This Land Use Review by Clean Water Services (CWS) does not constitute approval of storm or sanitary sewer compliance with the NPDES permit held by the CWS. The District, prior to issuance of any permit, must review and approve final construction plans.
2. All provisions of the development shall be in accordance with current CWS Design and Construction Standards, presently Resolution and Order No. 04-09 (R&O 04-09) and the Erosion Prevention and Sediment Control Manual, December 2000 edition.
3. A CWS Site Development Permit shall be required. Engineered construction plans must be submitted directly to CWS for review and approval in accordance with current CWS Design and Construction Standards and processes.

SANITARY SEWER

4. Each lot shall be provided with a direct gravity service lateral and connection to a public sanitary sewer mainline. There is an existing 8 inch public sanitary sewer located within NW Commercial Street. The applicant is proposing to construct a new 8 inch public sanitary sewer within the proposed alley access near the north property line of the site. This sewer will connect to the existing 8 inch sewer main in Commercial Street through the west driveway entrance. The proposed sewer appears to be adequate to provide necessary public sewer for the development. Final design and construction of sanitary sewer shall be in accordance with current CWS Design and Construction Standards.
5. All public sanitary and storm sewer improvements shall be constructed within public sewer easements as approved by CWS. The minimum width sewer easement shall be 20 feet and shall include the entirety of the two driveway entrances and the alley, extending the full length of the alley to the easterly property line of proposed lot 17.

STORM DRAINAGE AND WATER QUALITY

6. The applicant is proposing construction of a combined water quality facility and detention pond adjacent to the west property line of the site. This facility shall be designed and constructed in accordance with current CWS Design and Construction Standards. The facility site shall be designated as a "Tract" with appropriate maintenance access and easements in accordance with current CWS Design and Construction Standards and as approved by CWS. The water quality facility shall be designed to provide treatment of all impervious area created or preserved as part of this development, including the adjacent public street improvements of NW Commercial Street

7. A Drainage Report with a downstream analysis in accordance with current CWS Design and Construction Standards shall be required. The applicant shall replace or improve downstream culverts or other drainage facilities with inadequate capacity to meet current design standards.
8. Each lot shall be provided with an individual connection to a public storm conveyance. Each of the proposed lots shall require a separate storm service lateral and connection. Preliminary design of public storm sewer as proposed within the alley along the north property line of the site and as part of the street improvements of NW Commercial Street appears to be adequate to serve the proposed development. Final design and construction of necessary improvements shall be in accordance with current CWS Design and Construction Standards.

SENSITIVE AREA

9. The applicant has not obtained a Service Provider Letter (SPL) from CWS for the proposed development. A SPL is required prior to Final Land Use Approval.

EROSION CONTROL

10. An Erosion Control Permit is required prior to any ground disturbing activities in accordance with current CWS Design and Construction Standards. In addition, a NPDES 1200C erosion control permit is required.

The City Engineer's original comments and recommended conditions of approval were in a memorandum dated March 14, 2007. Those comments were based upon a 17 lot proposal. The applicant revised the proposal to reduce the number of proposed units from 17 units to 15 units and made other revisions.

Purpose

This memorandum presents City Engineer review comments, as revised, in response to the City of North Plains Land Use Action Referral SD-DR-VAR-07-0002, a proposed 15-lot subdivision with variances. This subdivision is proposed on Tax Lots 3101 & 3102, Tax Map 1N31DA. The proposed subdivision will create 15 lots for development of attached housing. A variance is requested to allow three structures with five attached units in place of the maximum of four units as provided within the City Code. The site is entirely within an existing R-2.5 zone with frontage on NW Commercial Street.

General

1. All required public facilities and other improvements are to be designed and constructed in accordance with the current City-adopted Zoning and Development Ordinance and the current City of North Plains Public Works Design Standards.

In addition, the American Public Works Association (APWA) Standard Specifications for Public Works Construction apply. Improvements must be designed and constructed in accordance with all City requirements and conditions, and the final design plans must be stamped by a Professional Engineer (P.E.), currently licensed in the State of Oregon.

2. Three sets of complete construction plans for all public improvements shall be submitted to the City for preliminary review and comment following approval of the tentative subdivision plan. The design engineer shall submit a construction cost estimate for the required public improvements with the preliminary construction plans for review and comment. The engineer's estimate is to be presented in a "schedule of unit prices" format, reflecting cost estimates for the various anticipated construction bid items. A non-refundable deposit in the amount of five percent (5%) of the total accepted engineer's estimated value of public improvements must be provided to the City prior to review, approval, and construction of public improvements.
3. Following receipt of City review and comment on preliminary construction plans and after required revisions are made, the applicant shall circulate construction plans to all utility service companies operating within the City and other interested agencies. Prior to final approval of construction plans, all proposed utility and agency comments, revisions, and drawings must be received and approved by the City. A revised engineer's construction cost estimate for public improvements shall be submitted with the final construction plans for review and acceptance by the City prior to final approval of the construction plans.
4. A public improvements performance bond shall be provided to the City prior to construction in an amount equal to 125% of the final accepted engineer's estimate.
5. A maintenance bond in the amount of 40% of the final accepted engineer's estimate is required prior to final acceptance of constructed public improvements. The maintenance bond shall remain in effect for a period of not less than one year after all public improvements are accepted by the City.

City/Agency Coordination

6. The Applicant is to coordinate with the City and all appropriate public or private utilities and other agencies throughout the application, review, and construction processes. Agency/utility coordination includes, but is not limited to, Clean Water Services (CWS) regarding sanitary sewer, water quality, environmental sensitive areas, and storm sewer system improvements; Washington County Fire District No. 2 regarding fire protection and emergency access; and the City of North Plains regarding planning,

water system improvements, surface water drainage improvements, and site development interests. It is important to coordinate all necessary approvals with the City, CWS, and Washington County. The Applicant is to provide copies of all agency/utility approvals and permits to the City prior to construction of any improvements.

7. The City is to be notified of any potential design conflicts, and/or any potential conflicts identified after the various utilities and agencies complete review and provide comments. It is the responsibility of the Applicant to resolve all conflicts to the satisfaction of the City.

Street Improvements

8. Access to all lots is proposed from construction of a new, 20 foot wide private alley within an easement, adjacent to the railroad right-of-way, connecting with a 20 foot wide entrance driveway to Commercial Street at each end of the development. The entrance near the west side of the development (Tract B) will provide maintenance access for the proposed public water quality/detention facility to be located within "Tract A".
9. It is recommended that parking not be allowed along the entrances and alley. Approved street signs will be required. In addition, the private alley configuration shall be in accordance with the recommendations of the fire marshal.
10. An alternative to the above (item 9) alley configuration would be construction of a minimum 28 foot wide road (alley) with parking on one side. This would allow for two way traffic.
11. The proposed subdivision fronts NW Commercial Street. Commercial Street has an existing 80 foot wide right-of-way and is classified as a major Collector Street in the current City Transportation System Plan and Development Code. Full half street improvements shall be required along the frontage of the subdivision with tapers, as approved by the City Engineer, to match existing improvements beyond property lines. Improvements shall include a bicycle lane, sidewalk, and a 42 foot (total width) pavement section in accordance with the current City Public Works Design Standards. Standard barricades will be required at each end of the proposed sidewalk.
12. A minimum 8 foot wide public utility easement (PUE) shall be required across the frontage of all lots adjacent to public right of way. Side yard and rear yard PUE's are not necessary unless specifically requested by a utility. Other public easements shall be necessary as required for construction and maintenance of public infrastructure and maintenance access.

Storm Drainage Improvements

1. The Applicant shall construct a permanent public storm drainage system to serve the proposed subdivision, including all public and private streets, alleys, and roof, footing and area drains in accordance with CWS and City standards. In addition, the applicant shall coordinate with CWS to design and construct needed storm drainage improvements. All drainage improvements and storm water quality and quantity requirements are to be in compliance with current applicable CWS Design and Construction Standards (presently R&O 04-9) and approved and permitted by CWS. It is anticipated CWS will require both storm water quality and storm water conveyance facilities. Private facilities are to be designed and constructed in accordance with all applicable CWS requirements and City Codes and Standards.
2. The applicant shall obtain a Service Provider Letter in accordance with CWS requirements.

Sanitary Sewer Improvements

1. The Applicant shall design and construct a public sanitary sewer collection system to serve the proposed subdivision in accordance with current CWS Design and Construction Standards (currently R&O 04-9) and other requirements as approved by CWS. Private facilities are to be designed and constructed in accordance with all applicable City Codes and Standards.

Water System Improvements

1. The applicant shall design and construct a looped public water transmission system, with minimal 8-inch diameter pipes in accordance with current City of North Plains Public Works Design Standards. The water main loop shall connect to the existing 12" water main located on the south side of Commercial Street, extend to the north side of Commercial Street approximately 5 feet from the face of curb and run the full length of the subdivision. All service connections to proposed lots or tracts within the subdivision shall be from this water main. It is anticipated that CWS will require a water service for irrigation of the proposed water quality facility.
2. All public water system improvements shall be planned, designed and constructed in accordance with the current City of North Plains Public Works Design Standards and the APWA Standard Specifications for Public Works Construction. Final design plans shall be prepared and stamped by a professional engineer registered in the state of Oregon
3. All water main lines shall be located, as approved by the City Engineer, within the public right-of-way where possible

Washington County Land Use and Transportation had no comments on the application.

The North Plains Public Works Director had the following comments.

1. A looping 8" waterline shall be installed. The first tie in of the loop will be at the most western point of the property and return to tie back in at the most eastern point. The location of the 8" main will be within the paved area of the street, not behind the curb. Water services will be tied off of this allowing shorter services, limiting future service problems.
2. The design shows no water service or irrigation for the water quality swale.
3. Street light locations have not been noted.
4. Mail gang box location has not been noted.
5. Approaches for each driveway onto Commercial Street should be constructed of concrete. A commercial approach design should be used with signs installed stating ownership of street is private.
6. Barricades shall be placed at each end of proposed sidewalk.

All other notified agencies and organizations and adjacent property owners did not comment before the drafting of this staff report.

IV. REVIEW CRITERIA AND EVALUATION

The following answers to the review criteria was submitted by the applicant. Staff comments are in italics within each section if the staff disagrees with the applicants answers.

16.08.005 Multi-Family Residential District (R2.5)

16.08.020 Permitted Uses, subject to the requirements of Chapter 16.40-16.43 Design Review, if applicable.

- A. Single family dwelling, detached, including manufactured homes subject to the provisions of Chapter 16.24 Manufactured Homes.
- B. Two family dwelling (duplex), triplexes, and attached single family dwellings with a maximum of four consecutively attached units, subject to the provisions of Chapter 16.28 Duplex, Triplex and Attached Single Family Dwelling.
- C. Multi-family dwelling to a maximum density of 24 dwelling units per gross acre, subject to the provisions of Section 16.43.040

Multi-Family Dwelling(s) .

Response: This application is for the subdivision of land and the construction of 15 attached single-family residential dwellings, which is a permitted use in this zoning district. This criterion is met.

The applicant is requesting a variance from the maximum allowable number of attached single family dwellings. The site is configured such that greater numbers of attached units, 5 together, function better on the site than the smaller groups of four units. This variance request is addressed in greater detail below, under Section 16.52.

16.08.040 Dimensional Standards

The following dimensional standards shall be the minimum requirements for all development in the R 2.5 District except for modifications permitted under Chapter 16.37 General Exceptions or Chapter 16.21 Planned Unit Development. In addition, a minor adjustment of up to 10% of the required lot size, lot depth or lot width may be granted by the City Planner pursuant to Chapter 16.86 provided that there are findings made that the variance complies with Section 16.52.030 Variance Review Criteria.

A. Lot Size

1. Single-family detached 4,000 square feet minimum
6,000 sq. ft. maximum
for lots created by subdivision
2. Two-family dwelling (duplexes) Triplexes & attached single family dwelling 2500 square feet per unit minimum
3. Multi-family developments (greater than 3 units) 10,000 square feet minimum
4. All other uses 4,000 square feet minimum

Finding: The lot sizes proposed in the revised application meet the minimum requirements in the zone.

B. Lot Depth and Width

1. The minimum average lot width shall be 40 feet, except that lots for attached single family dwellings may have a minimum average lot width of 25 feet.
2. The minimum lot depth shall be 80 feet.

Finding: The revised application meets the minimum requirements in the zone.

Chapter 16.52 VARIANCE

Section 16.52.010 Purpose and Scope

The purpose of a variance is to provide administrative relief when a strict application of the zoning requirements of lot width, lot depth, building height, setback, access, or other dimensional requirements, excluding lot area, would impose practical difficulties. These difficulties may result from geographic, topographic or other physical conditions on the site or in the immediate vicinity. No variance shall be granted which allows the establishment or expansion of use otherwise prohibited or subject to conditional use procedures.

Applicants Response: The applicant requests a variance to the limitation of no more than four attached units together in a block, as presented by ZDO 16.08.020.B, which can be treated as a dimensional requirement of the Code. Specifically, the applicant requests to have five units per group rather than four, where "attached residences" is the unit of measure and four is the usual standard.

Section 16.52.030 Review Criteria

A variance may be authorized upon adequate demonstration by the applicant that the proposed variance satisfies the following criteria:

- A. That special conditions and circumstances exist which are peculiar to the land, building or structure involved;

Applicants Response: See the memorandum from the applicant dated April 30, 2007.

Finding: The Planning Commission agrees with the applicants response.

- B. That granting the proposed variance would be in the public interest and would be in harmony with the purpose of the underlying zoning district and the intent and purpose of this Ordinance;

Applicants Response: See the memorandum from the applicant dated April 30, 2007.

Finding: The Planning Commission agrees with the applicants statement.

- C. That the variance would result in minimal detriment to the immediate vicinity;

Applicants Response: See the memorandum from the applicant dated April 30, 2007.

Finding: Planning Commission agrees with the applicants statement.

D. That the variance requested is the minimum variance which would make possible the reasonable use of the applicant's land, building or structure.

Applicants Response: See the memorandum from the applicant dated April 30, 2007.

Finding: Planning Commission agrees with the applicants statement.

E. That the special conditions and circumstances on which the application is based do not result from the negligent or knowing violation of this Ordinance by the applicant.

Applicants Response: See the memorandum from the applicant dated April 30, 2007.

Finding: Planning Commission agrees with the applicants statement.

Section 16.08.040 Dimensional Standards (continued)

C. Setback Requirements

Staff comments: All setback requirements are being met.

D. Height of Buildings

Staff comments: Building height requirements are being met.

E. Lot Coverage

Staff comments: Lot coverage requirements are being met.

16.08.050 Signs

Signs permitted in the R2.5 District shall be located at least 10 feet from the street line or flat against the building. The type and character of the sign shall be compatible with development in the area.

Response: No signs are being proposed.

16.08.060 Parking Requirements

At least two (2) off-street parking spaces shall be provided for each single family detached dwelling unit. Parking requirements for all other uses are specified in Chapter 16.33 Off Street Parking and Loading of this ordinance.

Response: Each dwelling unit is provided with two parking spaces in a two car garage.

Staff comments: The application meets the zoning ordinance requirements.

16.08.070 Development Standards

1. The following standards will be applied to all single family dwellings (sitebuilt, modular and manufactured homes) to be constructed or located in the City of North Plains:

All single family units shall utilize at least two of the following design features to provide visual relief along the front of the home:

- a. dormers;
- b. gables;
- c. recessed entries;
- d. covered porch entries;
- e. cupolas;
- f. pillars or posts;
- g. bay or bow windows;
- h. eaves (minimum 6" projection);
- l. offsets on building face or roof (minimums 16");

Response: See the applicants answers to this section found on Page 13 of the application narrative.

16.28.020 Standards and Requirements

The following standards and requirements shall govern the development of duplexes, triplexes and attached single family dwellings:

A. Minimum Lot Size: The minimum lot size of each dwelling unit shall be as specified by the base zone.

B. Minimum Building Setbacks:

All setbacks shall comply with the setbacks required in the underlying zone, except that for interior side yards with a common wall, the side setback shall be zero feet.

The location of all buildings shall comply with the vision clearance requirements of Chapter 16.38 Clear Vision Areas of the ZDO.

C. Design Standards

These standards are intended to control development scale; avoid or minimize impacts associated with traffic, parking, and design compatibility; and ensure management and maintenance of common areas.

1. Building Mass Supplemental Standard. The maximum number and width of consecutively attached townhouses (i.e., with attached walls at property line) shall not exceed 2 units in the C-1 Zoning District and 4 units in the R-2.5 and R-5 Zoning Districts.

Staff Comment: The proposed buildings include five units for each building. This does not comply with this section of the code. The applicant has been granted a variance to this requirement.

2. Alley Access. Townhouse subdivisions (creation of 4 or more lots for single-family attached dwellings) shall receive vehicle access only from a rear alley. Alley(s) shall be created at the time of subdivision approval. Alleys are not required when existing development patterns or topography make construction of an alley impracticable. As necessary, the City shall require dedication of right-of-way or easements and construction of pathways between townhouse lots (e.g. between building breaks) to provide for pedestrian connectivity.

3. Street Access Developments. Townhouses receiving access directly from a street shall comply with all of the following standards, in order to minimize interruption of adjacent sidewalks by driveway entrances, slow traffic, improve appearance of the streets, provide more on-street parking area, and minimize paved surfaces for better storm water management.

4. Common Areas. "Common areas" (e.g., landscaping in private tracts, shared driveways, private alleys, and similar uses) shall be maintained

by a homeowners association or other legal entity. A homeowners association may also be responsible for exterior building maintenance. A copy of any applicable covenants, restrictions and conditions shall be recorded and provided to the city prior to building permit approval.

D. Standards For Approval: Such uses shall be permitted as a use upon the following findings:

1. The project shall comply with all other applicable provisions of the ZDO.
2. The project will accommodate the traffic generated by providing adequate off-street parking, access points and additional street right-of-way and improvements and other traffic facilities as required.
3. All public and private improvements shall be developed to applicable City Public Works standards.
4. Pedestrian walkways shall be provided for adequate pedestrian and bicycle traffic.
5. The overall housing density of the project shall comply with that permitted in the underlying R zone.
6. If proposed, private streets shall be owned and maintained by the owners of the lots which access the private street. A maintenance agreement shall be recorded which provides for the maintenance of the private street.

Response: For applicants response to Chapter 16.28 see application Page 13-15.

16.28.030 Procedure

The development of attached single family dwellings pursuant to this section shall require the approval of either a land partition or subdivision in order to create the legal lots of record. The proposed development shall comply with all applicable procedures and standards of either Chapter 16.56 Land Partitioning or Chapter 16.57 Subdivisions.

A Development Agreement specifying that subsequent development on the lots be limited to attached single family dwellings shall also be required.

Response: The applicant is proposing the creation of townhomes through a 15-lot subdivision application. The requirements of Chapter 16.57 are addressed later in this narrative.

Staff agrees with the applicants answers to Chapter 16.28 and has no additional comments other than a variance to allow more than four attached dwellings is required.

16.30.020 Application of Public Facility Standards

The provisions of Chapter 16.30 Public Facility and Service Requirements shall apply to development within the City of North Plains as listed in the following table. No development permit shall be approved unless the following required improvements are provided to City standards prior to occupancy or operation unless an exception is approved by the City Council per Chapter 16.30.040 or future provision of the improvement is assured per Chapter 16.30.050.

Public Facilities Improvement Requirements Table

	Fire Hydrants	Street Improv.	Water Line	Sewer Line	Storm Drainage	Street Lights & Trees
Single Family Homes	N	C-2	Y	C-4	Y	N
Two Family & Multifamily Dwellings	Y	Y	Y	Y	Y	Y

N = Not required Y = Yes, required C=Conditional, required in some cases (See Notes)

Response: These standards are met. Although this proposal is technically for attached single-family homes, the development holds the same responsibilities as multifamily projects in terms of public infrastructure improvements. The applicant will make improvements to public infrastructure, including extension of water and sewer lines, extension of the City's storm drainage system, installation of fire hydrants, and installation of street lights as needed. The proposed improvements are shown in Exhibit E-Preliminary Plan Set.

Staff Comments: Staff agrees with the applicants comments.

16.31.030 General Provisions

The following general provisions shall apply to the dedication, construction, improvement or other development of all public streets in the City of North Plains:

- A. The location, width, and grade of streets shall be considered in their relation to existing and planned streets, to topographical conditions, to public convenience and safety, and to the proposed use of the land to be served by the streets.
- B. Development proposals shall provide for the continuation of existing principal streets where necessary to promote appropriate traffic circulation in the vicinity of the development.
- C. Reserve strips: Reserve strips or street plugs controlling the access to streets will not be approved unless necessary for the protection of the public welfare or of substantial property rights, and in these cases they may be required. The control and

disposal of the land composing such strips shall be placed within the jurisdiction of the City under conditions approved by the Planning Commission.

D. Alignment: All streets other than minor streets or cul-de-sacs, as far as practical, shall be in alignment with existing streets by continuation of the center lines thereof. The staggering of street alignments resulting in "T" intersections shall, wherever practical, leave a minimum distance of 200 feet between the center lines of streets having approximately the same direction and otherwise shall not be less than 100 feet.

E. Future extension of streets: Where necessary to give access to or permit a satisfactory future development of adjoining land, streets shall be extended to the boundary of a tract being developed and the resulting dead-end streets may be approved without turnarounds. Reserve strips and street plugs may be required to preserve the objectives of street extensions.

F. Intersection angles: Streets shall be laid out to intersect at angles as near to right angles as practical, except where topography requires lesser angle, but in no case shall the acute angle be less than 80 degrees unless there is a special intersection design. An arterial or collector street intersecting with another street shall have at least 100 feet of centerline tangent adjacent to the intersection unless topography requires a lesser distance. Other streets, except alleys, shall have at least 50 feet of tangent adjacent to the intersection unless topography requires a lesser distance. Intersections which contain an acute angle of less than 80 degrees or which include an arterial or collector street shall have a minimum corner radius sufficient to allow for a roadway radius of 20 feet and maintain a uniform width between the roadway and the right-of-way line.

G. Existing streets: Whenever existing public streets adjacent to or within a tract are of inadequate width, additional right-of-way shall be provided at the time of subdivision or development.

H. Cul-de-sacs: Cul-de-sacs shall be as short as possible, and shall have maximum lengths of 600 feet and shall not serve more than 20 dwelling units. All cul-de-sacs shall terminate with circular turnarounds.

I. Street names: No street names shall be used which will duplicate or be confused with the names of existing streets, except for extensions of existing streets. Street names and number shall conform to the established pattern in the City and shall be subject to the approval of the Planning Commission.

J. Grades and curves: Grades shall not exceed 6 percent on arterials, 10 percent on collector streets or 12 percent on any other street. Center line radii of curves shall not be less than 300 feet on arterials, 200 feet on collectors or 100 feet on other streets, and shall be to an even 10 feet. Where existing

conditions, particularly topography, make it otherwise impractical to provide buildable sites, the Planning Commission may accept steeper grades and sharper curves. In flat areas, allowance shall be made for finished street grades having a minimum slope of 0.5 percent.

K. Marginal access streets: If a development abuts or contains an existing or proposed arterial street, the Planning Commission may require marginal access streets, reverse frontage lots with suitable depth, screen planting contained in a non-access reservation along the rear or side property line, or such other treatment as may be necessary for adequate protection of residential properties and to afford separation of through and local traffic.

L. Alleys: Alleys shall be provided in commercial and industrial districts unless other permanent provisions for access to off-street parking and loading facilities are made as approved by the Planning Commission. While alley intersections and sharp changes in alignment shall be avoided, the corners of necessary alley intersections shall have radii of not less than 10 feet.

M. Sidewalks shall be a minimum of five feet in width. Curbs and sidewalks shall be required along both sides of all public streets. All new development upon lots, tracts or parcels of land adjacent to a public street will be required to construct curbs and sidewalks.

N. Street trees, where provided, shall not be of a species which has a shallow spreading root system which is likely to disturb sidewalk or street improvements.

Applicants Response: See application for applicants response.

16.31.040 General Right-of-Way and Improvement Widths

The following standards are the general criteria for public streets in the City of North Plains. These standards shall be the minimum requirements for all streets, except where modifications are permitted under Chapter 16.31.050 or where the Street Standard adopted by the City Council of North Plains is less restrictive.

Response: See the applicants comments on the application.

Staff Comments: Staff agrees with applicants comments, all standards will be met.

16.32.030 Standards for Lots

A. Minimum lot area: Minimum lot area shall conform to the requirements of the zoning district in which the lot is located.

Staff comments: The minimum lot area standards are being met.

- B. Access:** All lots created after the effective date of this Ordinance shall provide a minimum of 20 feet of frontage on an existing or proposed public street, with the following exceptions:

Response: All proposed lots have at least 26 feet of frontage along NW Commercial Street. This criteria is met.

- D. Through Lots:** Through lots shall be avoided except where essential to provide separation of residential development from major traffic arteries, adjacent nonresidential activities, or to overcome specific disadvantages of topography and orientation. Screening or buffering may be required by the Planning Commission during the review of the land division request.

Response: The applicant is not proposing any through lots with the development.

- E. Lot Side Lines:** The side lines of lots, as far as practicable, shall run at right angles to the street upon which the lots face.

Response: All lots have side lot lines that run at right angles with the frontage street.

- F. Lot Grading:** Lot grading shall conform to the requirements of Chapter 70 of the Uniform Building Code, hereby adopted by reference, and to the following standards unless physical conditions demonstrate the propriety of other standards:

1. Cut slopes shall not exceed one and one-half feet horizontally to one foot vertically.
2. Fill slopes shall not exceed two feet horizontally to one foot vertically.
3. The character of soil for fill and the characteristics of lots and parcels made usable by fill shall be suitable for the purpose intended.

Response: This standard is met. No cut or fill slopes are proposed. Where cut or fill is necessary, small retaining walls are used instead of slopes. These walls are generally low, mostly under 1' in height, with the exception of the southeastern corner where the retaining wall is nearly 3' in height.

- H. Land for Public Purposes:** Where a proposed park, school or other public use indicated on the Comprehensive Plan is located in whole or in part within a subdivision, the sub-divider shall dedicate and reserve said area for such purpose. Where the City or other public authority has declared its intention to acquire said area, it shall proceed to perfect the title or a contract right to the same within three (3) years from the date of platting, and failing such, this reservation shall automatically

expire. The public body shall expeditiously proceed, within its financial ability, to consummate such acquisitions.

Response: The proposed townhome development is not located in an area in which the Comprehensive Plan has identified a need for provision of park, school or other public use. No public uses are proposed on the subject property. This criterion is not applicable.

16.32.040 Standards for Blocks

A. **General:** The length, width, and shape of blocks shall take into account the need for adequate building site size and street width and shall recognize the limitations of the topography.

B. **Sizes:** Residential Districts shall have a 600 foot length and a 1,600 foot perimeter. Commercial Districts shall have a block length of 400 foot and a 1,200 foot perimeter. Light Industrial Districts shall have a block length of 600-800 feet and a 1,600-2,000 foot perimeter. General Industrial Districts do not have block length or perimeter requirements. A block shall have sufficient width to provide for two tiers of building sites unless topography or the location of adjoining streets justifies an exception.

Response: The subject property is comprised of several lots that appear to have been platted with the settlement of North Plains in 1911. The block in which they are located is approximately 1200 feet in length, and is consistent in length with surrounding blocks. The existing block was defined in large part by the presence of the railroad corridor, which also precludes shortening this block with a cross street. The Comprehensive Plan has not identified a need to create a through street in this location to shorten the block. The lots as defined in 1911 could be more accurately described as belonging to a half-block, as they can only allow for one tier of buildings. In short, the existing development pattern around the subject property justifies an exception to this code section.

Staff Comment: This section is more applicable to new subdivision development on bare land, not infill development, consequently, this section really does not apply to the application.

16.32.050 Easements

A. **Utility Lines:** Minimum 5 foot wide easements for sewers, water mains, electric lines, or other public utilities shall be dedicated along the front, side, and rear lot or parcel lines of each lot. Easements shall be centered on lot lines.

Response: Easements will be provided on the subdivision plat along all front and rear lot lines. Easements will be provided along all side lot lines not overlain by a structure and common wall, as is appropriate with attached units. This requirement is met.

- B. **Water Courses:** If a tract is traversed by a water course such as a drainage way, channel or stream, a storm water easement or drainage right-of-way shall be provided which substantially parallels the lines of the water course.

Response: This standard is not applicable. There is no drainage way, channel or stream on or adjacent to the subject property for which a storm water easement would be necessary.

- C. **Pedestrian and Bicycle Ways:** When desirable for public convenience and access, a pedestrian or bicycle way easement may be required to connect to a cul-de-sac or to pass through an unusually long or oddly spaced block, or to otherwise provide appropriate circulation.

Response: This standard is met. Pedestrian and bicycle access is provided along NW Commercial Street in the form of a sidewalk, and between buildings. The standard Collector street design for North Plains also notes that the outside travel lanes of the 42' paved section are shared bicycle and motor vehicle lanes. There is no identified need to provide connections through the subject property in any other way.

16.32.060 Improvement Requirements

- B. **Subdivisions:** The following improvements shall be required for all subdivisions in the City of North Plains.

1. **Frontage improvements:** Street improvements to full City Standards shall be required for all public streets on which a proposed subdivision fronts. Such improvements shall be blended to match with existing improved surfaces across the centerline and for a reasonable distance beyond the frontage of the property. Additional frontage improvements shall include: sidewalks, curbing, storm sewer, sanitary sewer, waterlines, other public utilities as necessary, and such other improvements as the City shall determine to be reasonably necessary to serve the development or the immediate neighborhood.

Response: No dedication is required with this development application.

Staff Comments: The applicant is proposing half street improvements on Commercial Street as required.

2. **Proposed Streets:** All public streets within the subdivision shall be constructed as required by the provisions of Subsection Chapter 16.31.040 Street Standards- General Rt-of-Way and Improvement Widths.

Response: There are no public streets within the proposed subdivision; therefore this standard is not applicable.

3. **Monuments:** Upon completion of street improvements, monuments shall be reestablished and protected in monument boxes at every street intersection and all points of curvature and points of tangency of street center lines. Elevation bench marks shall be established at each street intersection monument with elevations to U.S. Geological Survey datum.

Response: This criterion is met. All necessary monuments will be established or reestablished upon completion of the road and other improvements. This can be assured through a condition of approval.

4. **Sanitary Sewers:** Sanitary sewers shall be installed to serve the subdivision and to connect the subdivision to existing mains both on and off the property being subdivided.

If the required sewer facilities will, without further sewer construction, directly serve property outside the subdivision, the Planning Commission may recommend to the City Council construction as an assessment project with such arrangement with the sub-divider as is desirable to assure financing his share of the construction.

The City may require that the sub-divider construct sewage lines of a size in excess of that necessary to adequately serve the development in question, where such facilities are or will be necessary to serve the entire area within which the development is located when the area is ultimately developed. The City may also require that the construction take place as an assessment project with such arrangement with the sub-divider as is desirable to assure his share of the construction.

Response: This requirement is met. Sewer system improvements are those necessary to adequately serve the proposed development. No request for "up-sizing" of infrastructure to serve adjacent or future development has been made.

5. **Water System:** Water lines with valves and fire hydrants serving the subdivision and connecting the subdivision to the city mains shall be installed. The design shall take into account provisions for extension beyond the subdivision to adequately grid the City system and to serve the area within which the development is located when the area is ultimately developed.

Response: This standard is satisfied. This development does not necessitate the installation of new water mains or extension of water lines to surrounding properties. There is an existing water main lying with the NW Commercial Street right-of-way. A new water tap and meter will be installed for each unit in accordance with City requirements.

Staff Comments: The Public Works Director has commented that there shall be a looped water system installed.

This is included in his recommendations and incorporated into this approval.

6. **Street Lights and Street Trees:** The installation of street lights and street trees is required at locations and of a type established by City standards.

Response: This criterion is satisfied. The applicant shall install street trees and lights as required by City standards. The site plan in Exhibit E, Sheet P300 shows a planting plan for street trees.

1. **Street Signs:** The installation of street name signs and traffic control signs is required at locations determined to be appropriate by the City and shall be of a type established by City standards.

Response: This criterion is satisfied. The applicant will install street signs as determined by the City to be necessary for this proposal.

All improvements required under this subsection shall be completed to City standards, or assured through an irrevocable letter of credit, assignment of bank account, performance bond or other instrument acceptable to the City Attorney, prior to the approval of the Final Plat of the subdivision.

Response: This subsection provides procedural guidance for the construction and final recording of this subdivision proposal. Compliance with this standard can be assured through appropriate conditions of approval.

Staff Comments: Staff agrees with the answers provided by the applicant.

Chapter 16.33 OFF STREET PARKING AND LOADING

16.33.020 General Provisions

- A. The provision and maintenance of off-street parking and loading spaces are continuing obligations of the property owner. No building or other permit shall be issued until plans are presented that show property that is and will remain available for exclusive use as off-street parking and loading space. The subsequent use of property for which the building permit is issued shall be conditional upon the unqualified continuance and availability of the amount of parking and loading space required by this Ordinance.
- B. Parking requirements for types of buildings and uses not specifically listed herein shall be determined by the Planning Commission, based upon the requirements of comparable uses listed.

- C. In the event several uses occupy a single structure or parcel of land, the total requirements for off-street parking shall be the sum of the requirements of the several uses computed separately.
- D. Owners of two or more uses, structures, or parcels of land may agree to utilize jointly the same parking and loading spaces when the hours of operation do not overlap, provided that satisfactory legal evidence is presented to the building inspector in the form of deed, leases or contracts to establish the joint use.
- E. Off-street parking spaces for dwellings shall be located on the same tax lot with the structure, and within 250 feet of the dwelling unit for which the parking space is required. Garages and/or carports may be used to satisfy the off-street parking requirements for dwellings, however, one required parking space may be uncovered. Parking spaces required for other uses may be located on a separate tax lot and shall be located not farther than 500 feet from the building or use they are to serve.
- F. Parking and loading spaces shall not be located in a required side or rear yard, except that off street parking spaces may be located in a required side or rear yard adjacent to a street on commercial or industrial zoned land provided that the parking spaces are developed consistent with the development standards of this chapter.
- G. Required parking spaces shall be available for parking of operable passenger automobiles of residents, customers, patrons and employees only, and shall not be used for storage of vehicles or materials or for the parking of trucks used in conducting the business or use.
- H. Required parking spaces shall be improved and available for use before the final inspection is completed by the building inspector. An extension of time may be granted by the building inspector providing an irrevocable letter of credit, assignment of bank account, performance bond, or its equivalent, is posted equaling the cost to complete the improvements.
- I. On-Street Parking Credit. The amount of off-street parking required may be reduced by one-half off-street parking space for every one on-street parking space adjacent to the development (where curbs and sidewalks are present and parking is allowed). On-street parking shall follow the established configuration of existing on-street parking, except that angled parking may be allowed for some streets, where permitted by City standards. The following constitutes an on-street

parking space:

- a. Parallel parking, each 24 feet of uninterrupted curb;
 - b. 45 degree diagonal, each 14 feet of curb;
 - c. 60 degree diagonal, each 11.5 feet of curb;
 - d. 90 degree (perpendicular) parking, each 10 feet of curb;
 - e. Curb space must be connected to the lot which contains the use;
 - f. Parking spaces that would not obstruct a required clear vision area, nor any other parking that violates any law or street standard; and
 - g. On-street parking spaces credited for a specific use may not be used exclusively by that use, but shall be available for general public use at all times. No signs or actions limiting general public use of on-street parking spaces is permitted.
- J. When the calculation of the minimum number of parking spaces required results in a fraction of a space, the applicant must round up to the nearest whole space.

RESPONSE: See application for applicants response.

STAFF COMMENTS:

Staff agrees with applicants comments that the code is being met by providing two parking spaces in a garage for each lot.

16.33.040 Automotive Parking Requirements

A. Residential

1. Detached single family
Two (2) spaces per dwelling unit
2. Duplexes and Triplexes
1½ spaces per dwelling unit
3. Multi-family dwellings and attached single family dwellings:
 - a. Studio units or 1-bedroom units less than 500 sq. ft. 1 space per unit
 - b. 1-bedroom units 500 sq. ft. or larger 1½ spaces per unit
 - c. 2-bedroom units 1-3/4 spaces per unit
 - d. 3-bedroom units 2 spaces per unit

e. Senior housing 1-1/4 spaces per unit

STAFF COMMENTS:

With two car garages the required parking is being provided.

16.34.060 Parking and Loading Area Development Requirements

All parking and loading areas shall be developed and maintained as follows:

- A. **Surfacing:** Areas used for standing and maneuvering of vehicles shall have durable and dustless surfaces maintained adequately for all weather use and drained to avoid flow of water across public sidewalks.
- B. **Screening:** When any public parking or loading area is within or adjacent to a residential zone, such parking or loading area shall be screened from all residential properties with an ornamental fence, wall or hedge of at least five feet in height but not more than six feet in height, except where vision clearance is required.
- C. **Periphery:** Parking spaces along the outer boundaries of a parking lot shall be contained by a bumper rail or a curb at least four inches high and set back a minimum of four feet from the property line.
- D. **Lighting:** Artificial lighting which may be provided shall not create or reflect substantial glare in a residential zone or on an adjacent dwelling.
- E. **Design of Parking Spaces and Driveways**

Off-street parking lots shall be designed in accordance with City Standards for stalls and aisles as set forth in the following drawing and table:

RESPONSE: See applicants answers in the application.

STAFF COMMENTS:

Staff agrees with comments from applicant.

CHAPTER 16.41 DESIGN REVIEW APPLICATION CONTENTS AND PROCEDURE.

STAFF COMMENTS:

See application and applicants responses. Staff agrees with comments.

CHAPTER 16.42 SPECIAL REQUIREMENTS AND LANDSCAPE PLAN.

STAFF COMMENTS:

See application and applicants responses. Staff agrees with comments.

16.57.010 Definition

Subdivisions are all divisions of property which create four or more lots in one calendar year.

16.57.020 General Provisions

- A. All subdivisions shall conform to applicable Zoning District Standards, Development Standards of **Chapter 16.32** and other provisions of this ordinance and the comprehensive plan.
- B. A master plan for development shall be required for any application which leaves a portion of the subject property capable of redevelopment.
- C. Pre-application conferences shall be required prior to the submittal of all subdivision applications.

16.57.030 Submittal Requirements for Tentative Subdivision Plans

- A. All Subdivision applications shall be submitted on forms provided by the City and accompanied by the appropriate filing fee.
- B. Each application shall include fifteen (15) copies of the tentative subdivision plan drawn on a sheet of 18 x 24 inches in size at a scale of 1 inch equals 100 feet.
- C. The following information shall be shown on the tentative subdivision plan:

STAFF COMMENTS:

See applicants comments in application. Staff agrees with comments.

V. DECISION

Based upon the findings contained in the staff

report, the application packet submitted by the applicant and testimony before the Planning Commission, APPROVAL of the Design Review, Subdivision and Variance to number of units in a building is given for the application submitted by John Rankin, LLC with the following conditions of approval:

1. Comply with conditions of approval required by Washington County Fire District No. 2.
2. Comply with all conditions of approval and code requirements of Clean Water Services.
3. There shall be constructed full half-street improvements along NW Commercial Street adjacent to the subject property and in front of the property on the corner of NW Commercial Street and NW 311th Ave. All street improvements shall be to City of North Plains standards and comply with the Transportation Systems Plan.
4. Applicant shall comply with the development standards of Zoning and Development Code Chapter 16.08 except as modified by the variance granted as a part of this approval regarding the number of units in an attached building.
5. Applicant shall comply with Chapter 16.57 of the Zoning and Development Code.
6. All conditions of approval must be completed within one year of the date of this approval or the approval is void, unless specifically modified by an approved phased construction schedule, or unless the applicant/owners provides assurances otherwise.
7. Prior to obtaining approval to begin construction of any public improvements, the applicant/owner shall provide a performance bond to the City in the amount of 125% of the total cost of such construction. Upon completion of all public improvements, the applicant/owner shall provide a maintenance bond to the City, in the amount of 40% of the total cost of such construction, guaranteeing said improvements for a period of one (1) year following City acceptance of said

improvements.

8. Comply with the recommended conditions of the Public Works Director.
9. Comply with the conditions of approval recommended by the City Engineer incorporated into the staff report.
10. Street lights are required and shall be installed as per IES standards.
11. The applicant/owners shall have a licensed land surveyor prepare a final Plat of the proposed partition and submit it to the City for City approval, and then record it with the Washington County Surveyor's Office and County Clerk's Office. The applicant/owners shall then send a copy of the recorded Plat to the City Recorder.
12. The applicant/owners agree to waive their right to remonstrate against the formation of a local improvement district or other mechanism to construct future improvements to the streets, storm water, water and sewer systems that may be assessed against the subject property.
13. Prior to City approval of the final partition plat for the subject property, the applicant/owners shall sign and record a Development Agreement with the City, covering all of the conditions of approval and pay all fees.
14. It shall be the responsibility of the Developer or his representative to coordinate all design requirements with the appropriate agencies and utilities. In addition to the City of North Plains, the Clean Water Services (CWS) and Washington County, must review and approve the proposed sanitary sewer /storm water sewer improvements and NW Commercial Street improvements respectively. Also, the Fire District must review and approve the site plan for emergency access vehicles. Approval must be obtained in written form and any coordination work with all agencies shall be the Developers sole responsibility.
Documentation of all written approvals and

permits from affected agencies should be provided to the City for their records.

15. Approved plans do not guarantee the adequacy of the design, or guarantee that there will not be any design conflicts during construction. The design engineer should be notified of any design conflicts that are noted during construction and he/she should then immediately notify the City of North Plains. Modifications to the design must be approved by the City of North Plains and the appropriate Agency prior to continuing with any relevant construction activities.
16. After Planning Commission review the Developer must submit separate construction plans that meet all Conditions of Approval, City of North Plains Public Works Design Standards, 1990 APWA Standard Specifications for Public Works Construction with August 1996 revisions, and Clean Water Services to the City for review and approval. Prior to the start of construction the plans must be approved by the City and all City and Agency permits must be obtained.
17. The Developer shall incorporate all Clean Water Services requirements into the construction plans. All storm sewer improvements are to be designed in accordance with the Clean Water Services Design and Construction Standards for Sanitary Sewer and Surface Water Management July 1996. The developer must obtain design approval and all appropriate permits prior to start of construction.
18. The alleys shall be located in a reciprocal easement for access purposes.
19. The maximum number of dwelling units shall not exceed five in each of the attached unit buildings.
20. The applicant shall construct the project based upon the plans submitted to the city on May 1, 2007.
21. The sidewalks between Lots 5 and 6 and 10 and 11 shall be located in pedestrian easements.

22. There shall be 3 foot wide sidewalks adjacent to Lots 1 and 15.
23. A six foot high site obscuring fence shall be constructed along the north property line to connect to the water quality facility fence.

This approval by the City may be appealed by the filing of a written notice of appeal with the city recorder within fifteen (15) days from the date of this approval.

ORDERED this 11th day of May, 2007

Planning Commission Chairperson

S:A-General/PLN.Proj/combined apps/2007/SD-DR-VAR-07-0002

EXHIBIT I

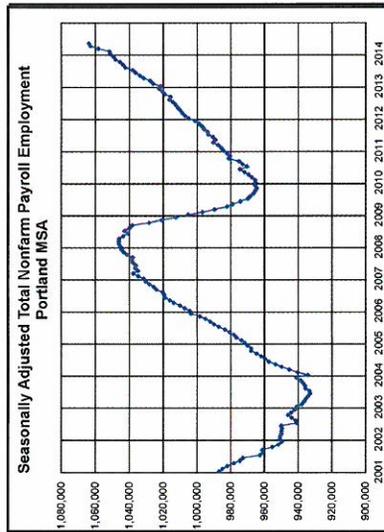
July 2014

Portland Metro Employment Situation – May 2014

The Portland metro area's seasonally adjusted unemployment rate was unchanged at 6.3 percent in May and down from May 2013 (7.3%). An estimated 71,400 area residents were unemployed and looking for work, 11,900 fewer than one year earlier. May's rate is the lowest since August 2008, when it was 6.1 percent.

Oregon's unemployment rate was 6.9 percent in May and the national rate held steady at 6.3 percent.

Economic Indicators	
Unemployment Rates	
Portland MSA	Seasonally Adjusted Raw
May 2014	6.3% 6.1%
Apr 2014	6.3% 6.2%
May 2013	7.3% 7.1%
Oregon	Seasonally Adjusted Raw
May 2014	6.9% 6.6%
Apr 2014	6.8% 6.8%
May 2013	7.8% 7.5%
United States	Seasonally Adjusted Raw
May 2014	6.3% 6.1%
Apr 2014	6.3% 5.9%
May 2013	7.5% 7.3%
Nonfarm Payroll Employment (In seasonally adjusted thousands)	
	2014 May 2013
Total	1,067,900 1,037,500
Construction	55,400 51,000
Manufacturing	116,200 114,900
Trade, Trans., & Utilities	197,900 192,100
Information	23,000 22,400
Financial Activities	63,700 63,500
Professional & Bus. Svc	157,800 151,300
Educ. & Health Services	156,600 151,500
Leisure & Hospitality	106,000 104,300
Government	148,600 148,400
High Tech *	54,800 52,800
* (manufacturing and nonmanufacturing)	
Consumer Price Index (CPI)	
United States	May '14 2013
Yearly Change	2.1% 1.5%
Next release: July 22, 2014	
Portland-Salem	2nd Half '12 2012
Yearly Change	2.1% 2.3%
Next release: August 15, 2014	
www.bls.gov	
University of Oregon Index of Economic Indicators	
Apr. 2014	97.0
Mar. 2014	97.0
2013 Population	
Portland Metro	2012-13 % Change
	2,291,650 1.1%
Oregon	3,919,020 0.9%



Preliminary estimates from the federal Bureau of Labor Statistics show that the metro area added 1,000 jobs (seasonally adjusted) in May following a gain of 4,700 jobs in April. Despite May's relatively small gain, the recovery remains strong: monthly job growth has averaged nearly 3,000 jobs since the start of the year, and 2,500 during the past 12 months.

Labor Trends by Email
 If you are a current subscriber and would like to receive Labor Trends electronically rather than as a paper copy, please send an email to Lmlipubs@oregon.gov and include the name of the newsletter and the ID# located at the top of the mailing label.

On an unadjusted basis, the economy expanded by 6,100 jobs in May. Most broad industries followed seasonal trends to a greater or lesser degree. **Construction** added jobs as expected for this time of year, although the gain was relatively small (+300), partially offsetting the prior two months of above-average growth. **Leisure and hospitality** added more jobs than expected, perhaps in response to the better than normal weather. **Manufacturing** continued to outperform historic patterns, pulling out of a slowdown that started in late 2012. Annual growth (2.9%) is the strongest since the summer of 2012. **Professional and business services** was the only major industry to lose jobs when a gain is the norm for May. Seasonal declines at tax preparation businesses were not offset by growth elsewhere in the sector.

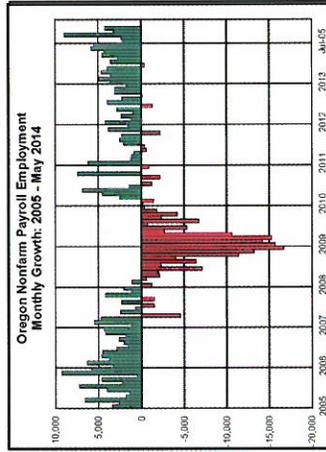
During the past 12 months, job growth in the metro area has accelerated from about 2 percent annually to nearly 3 percent. Job gains have been broad based, with every broad industry up over the year. Construction remains the fastest-growing sector (+8.6%), and professional and business services has added the largest number of jobs (+6,500).

Oregon Employment Situation – May 2014

Oregon's job growth has been strong and continuous for the past 11 months. The seasonally adjusted job gain was 4,200 in May and 6,200 in April. Leisure and hospitality (+2,300 jobs), retail trade (+1,200), and other services (+1,100) each added more than 1,000 jobs in May. Other services includes repair and maintenance, personal and laundry services, and member associations and organizations, including religious organizations.

Financial activities was the only major sector without a jobs recovery. It employed 91,000 in May, a level that hasn't changed much in the past four years. The real estate component is adding jobs, but banking and insurance are seeing little to no growth.

In the past 12 months, job growth accelerated. Oregon's private-sector businesses grew by 41,000 jobs on a seasonally adjusted basis since May 2013. This is a growth rate of 3.0 percent. Job gains were broad based as most of the major industries grew by close to 3 percent. The primary exception to the upside is construction, which grew by 10.5 percent, or 7,800 jobs, during that time.



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To the downside, only two major industries showed slight losses over the year: financial activities is down 0.1 percent (-100 jobs) and transportation, warehousing, and utilities dropped 1.5 percent (-800 jobs). Government grew slowly overall and is up 0.9 percent (+2,600 jobs).

Oregon's seasonally adjusted unemployment rate was 6.9 percent in May and 6.8 percent in April. The April figure was revised downward from the originally reported 6.9 percent. Oregon's unemployment rate was between 6.8 and 7.0 percent for each of the first five months of the year.

Oregon's measure of labor underutilization, which includes the unemployed, the marginally attached, and workers who are working part time but would rather be working full time, fell to 13.4 percent in May. This measure of labor hardship dropped substantially since May 2013 when it was 16.0 percent.

National Employment Situation

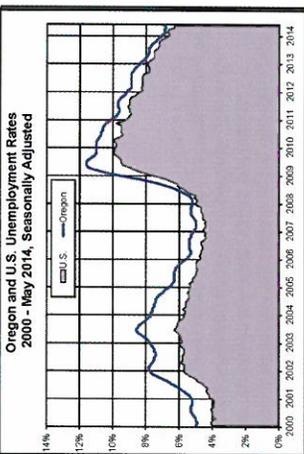
Total nonfarm payroll employment rose by 217,000 in May, and the unemployment rate was unchanged at 6.3 percent, the U.S. Bureau of Labor Statistics reported, following a decline of 0.4 percentage point in April. The number of unemployed persons was unchanged in May at 9.8 million. Over the year, the unemployment rate and the number of unemployed persons declined by 1.2 percentage points and 1.9 million, respectively.

Foreign Direct Investment Supports 41,300 Jobs in the Portland Metro Area

More than 41,000 jobs in the Portland metro area were in foreign-owned establishments (FOEs) in 2011, according to a recent study by the Brookings Institute. This represents just under 5 percent of all private-sector jobs. Why does this matter? According to Brookings, foreign investment delivers a large bang for the buck. Nationally, it contributes five percent to employment, but 12 percent to productivity growth and 20 percent to exports. Additionally, foreign-owned companies spent \$45 billion on research and development in 2011, or more than 15 percent of all-business R&D that year. Much of this is likely due to the industries in which foreign companies invest – manufacturing and skill-intensive advanced industries.

Portland metro's FOE jobs are also concentrated in manufacturing, where 180 FOEs employed 17,200 people in 2011 (41.6% of Portland's total FOE employment). Within manufacturing, motor vehicles and semiconductors are magnets. Outside of manufacturing, wholesale (7,100), transportation (3,500), finance and insurance (2,200), and retail (2,100) rounded out the top five FOE industries.

Over time, Portland's FOE employment increased from 29,900 jobs in 1991 to 41,300 in 2011 although its share of private-sector employment remained fairly steady. In the 1990s, much of the increase was driven by "openings" – new places of business. During the last decade, the increase was due largely to mergers and acquisitions – in other words, a net transfer of jobs into foreign ownership as opposed to job creation.



The average metro area draws investors from 33 different countries. Portland is particularly attractive to investors from Germany, Japan, Switzerland, England, and Canada.

More highlights from the report:

- Foreign investment is largely concentrated on the east coast.
- Three-quarters of U.S. FOE employment is contained in the nation's 100 largest metro areas.
- Foreign investment supports 5.5 percent of private metro-area employment, on average. The share ranges from a high of 13.6 percent in the Bridgeport-Stamford-Norwalk (CT) area, where a large portion is concentrated in banking and finance, to a low of 1.5 percent in Provo, UT. Portland's 4.8 percent share ranks us 29th (most concentrated).
- 115 countries invest directly in the U.S., but just 10 account for nearly three-quarter of FOE jobs, led by England, Japan, and Germany.

The report can be found at www.brookings.edu/research/reports/2014/06/20-fdi-us-metro-areas-saha-fikri-marchio.

Job Vacancies in Oregon: Almost Half are Hard to Fill

Employers had difficulty filling nearly half of Oregon's job vacancies in 2013, according to a recent report released by the Oregon Employment Department. These vacancies were more likely to require previous work experience, pay slightly higher wages, and be full-time positions compared to vacancies that were less difficult to fill.

Why?

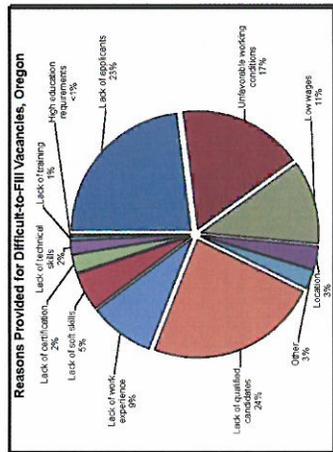
The reasons for employers' troubles ranged from a lack of skills to unfavorable working conditions, but the two most frequently cited were a shortage of qualified candidates and a lack of applicants. These two reasons accounted for about half of the responses. Low wages and poor working

Top 5 Industries	Jobs	Top 5 Source Countries	Jobs
Motor Vehicles	4,300	Germany	10,300
Semiconductors	3,200	Japan	7,500
Restaurants	1,700	Switzerland	3,400
Electronic Wholesalers	1,400	England	2,600
Investigation and Securities	1,100	Canada	2,000

Source: Brookings Institute, Global Cities Initiative

conditions such as irregular schedules, too many or too few hours, or physically demanding work were also common reasons.

Overall, nearly 60 percent of the responses were for reasons that are difficult to control from a workforce training perspective: poor working conditions, location, low wages, and a lack of applicants. The other reasons were easier – theoretically – to address: not enough qualified candidates, and a lack of experience, soft skills, technical skills, certification, or training.



By Occupation
Employers responded with a list of nearly 300 occupations where they encountered problems, but just 25 accounted for more than half of all vacancies. Truck drivers, farmworkers, personal care aides, home health aides, and customer service representatives held the top five positions.

By Industry
The greatest number of difficult-to-fill job openings was reported in health care – about 3,500 in total. A lack of applicants was the major reason, accounting for one-third of the responses. Employers faced challenges filling occupations ranging from highly-trained medical professionals like registered nurses and managers to entry-level positions such as personal care and home health aides.

By Experience and Education
Looking at difficult-to-fill vacancies by both required education and work experience, the study found that those without educational requirements were also likely to have no experience requirements. With each successive increase in the educational requirement, experience requirements also increased. At the top end, for those hard-to-fill vacancies requiring bachelor and graduate degrees, close to 90 percent required more than a year of prior work experience. In other words, in order to get a job you have to already have that job.

In Portland
Employers in the Portland tri-county area (Clackamas, Multnomah, and Washington counties) had the least difficulty finding workers compared to other regions in the state. When they ran into problems, it was usually due to a lack of qualified candidates and a lack of applicants. These two reasons accounted for nearly 60 percent of responses locally, compared with 47 percent statewide. Portland-area employers were less likely to cite unfavorable working conditions and lack of work experience compared with their statewide counterparts.

The full report, [Almost Half of Oregon's Job Vacancies are Difficult to Fill](#), is available at QualityInfo.org.

Around the Region

A listing of employment-related events making recent news

- **Electrochem Solutions, Inc.**, a medical technology manufacturer in **Beaverton**, will move operations to Mexico by the end of 2015, laying off 170 people. About 53 sales, marketing, research and development staff will remain in Beaverton until a new location is found for those positions. *The Oregonian*, 5/28/2014
- **Planned Parenthood Columbia Willamette** will close health centers in **Gresham**, **Clackamas**, and **Salmon Creek**, laying off 17 people. *Portland Business Journal*, 6/4/2014
- **Ace Hardware** at the Milltowner Shopping Center in **Cedar Mill** will close. It employs nine people. *The Oregonian*, 5/30/2014
- **Natural Grocers** opened in **Hazel Dell**. It employs 25 people. *The Columbian*, 6/4/2014
- Hiring will begin this month for 200 part- and full-time workers for a **Cabela's** sporting goods store that will open in **Tualatin** this fall. *The Times*, 6/12/2014
- **Everest College**, a career and technical school, will open a new campus in **downtown Portland**. *Portland Business Journal*, 6/6/2014
- **Elite Care** opened 24 new senior residential suites at its Oatfield Estates in **Oak Grove**. *Clackamas Review*, 6/4/2014
- **My Street Grocery** opened in **Portland**. A health food store on wheels from Whole Foods Market, it partners with **Portland**-area health clinics. It operates four days a week. Location varies by day. *The Oregonian*, 6/4/2014
- **Sea Mar Community Centers**, a health care provider, will open at Hiddenbrook Terrace in **southeast Vancouver** in October. *The Columbian*, 6/2/2014
- Construction began on a 211,000-square-foot **FedEx Ground** distribution center on **Swan Island** in **Portland**. It is expected to open in October 2015 and will employ about 150 people. *The Oregonian*, 6/24/2014
- **Puppet Labs**, an IT automation software maker in **Portland**, raised \$40 million in venture capital. It recently hired 18 workers and plans to add more. *Portland Business Journal*, 6/19/2014
- **The Storybook School**, a kindergarten with an art-based curriculum inspired by children's literature, will open in **southeast Portland** this fall. *Southeast Examiner*, 6/1/2014
- The **City of Milwaukie** will eliminate 4.4 full-time equivalent positions. *Portland Tribune*, 4/11/2014
- **The Greenbrier Cos. Gunderson Marine** division in **north Portland** received another order for an ocean-going barge to transport oil and chemicals. It's hired 200 workers in recent months and plans to add 200 more. *The Oregonian*, 5/2/2014

- **Veterinary Cancer & Surgery Specialists** opened in **Milwaukie**. *The Oregonian*, 4/29/2014
- **QE Home**, a luxury bedding store; **Vivo**, a clothing store; **100% Pure**, which sells natural skin care products; and **Locker Room by LIDS**, which carries team sportswear and accessories, will open at **Westfield Vancouver** mall. *The Columbian*, 4/28/2014
- **Foghorn Labs**, a digital marketing agency, moved its headquarters from San Francisco to **Portland** and plans to add a few workers this year. *Portland Business Journal*, 4/28/2014
- **St. Helens Community Federal Credit Union** will open a branch on Highway 20 in **St. Helens**. *The Chronicle*, 4/10/2014
- **Portland-based Webtrends** cut 26 sales positions. It provides software solutions related to marketing intelligence. *Portland Business Journal*, 5/14/2014
- **Wieden+Kennedy**, a **Portland** advertising agency, laid off an undisclosed number of employees. *The Oregonian*, 5/20/2014

Portland-Vancouver-Hillsboro MSA Labor Force and Industry Employment

	May 2014	April 2014	May 2013	—Change from— April 2014	May 2013
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LABOR FORCE STATUS

Civilian Labor Force	1,177,400	1,172,700	1,168,800	4,700	11,600
Unemployed	71,400	72,200	83,300	-800	-11,900
Unemployment Rate	6.1%	6.2%	7.1%		
Unemployment Rate, seasonally adjusted	6.3%	6.3%	7.3%		
Total Employed	1,105,900	1,100,500	1,082,500	5,400	23,400

NONFARM PAYROLL EMPLOYMENT

Total nonfarm	1,067,900	1,061,800	1,037,500	6,100	30,400
Total nonfarm, seasonally adjusted	1,064,000	1,063,000	1,033,800	1,000	30,200
Total private	918,300	914,100	889,100	5,200	30,200
Mining and logging	1,000	800	1,000	100	0
Construction	55,400	55,100	51,000	300	4,400
Construction of buildings	12,900	12,800	12,000	100	900
Residential building construction	6,900	6,800	6,200	100	700
Nonresidential building construction	6,000	6,000	5,800	0	200
Heavy and civil engineering construction	5,200	5,100	5,300	100	-100
Specialty trade contractors	37,300	37,200	33,700	100	3,600
Manufacturing	118,200	117,600	114,900	600	3,300
Durable goods	89,300	88,900	86,300	400	3,000
Wood product manufacturing	3,700	3,700	3,500	0	200
Primary metal manufacturing	6,400	6,400	6,500	0	-100
Fabricated metal product manufacturing	12,300	12,300	12,600	0	-300
Machinery manufacturing	8,600	8,400	8,300	100	200
Computer and electronic product manufacturing	35,700	35,700	34,800	0	900
Computer and electronic component mfg.	28,200	28,300	27,400	-100	800
Semiconductor and electronic component mfg.	4,800	4,800	4,800	0	0
Electronic instrument manufacturing	7,600	7,400	7,100	100	400
Transportation equipment manufacturing	28,900	28,700	28,600	200	300
Nondurable goods	11,000	10,900	10,700	100	300
Food manufacturing	3,200	3,200	3,300	0	-100
Paper manufacturing	197,900	195,900	192,100	2,000	5,800
Trade, transportation, and utilities	53,600	53,000	52,000	600	1,600
Wholesale trade	25,400	25,100	24,900	300	500
Merchant wholesalers, durable goods	17,400	17,200	17,000	200	400
Merchant wholesalers, nondurable goods	10,800	10,700	10,700	100	700
Electronic markets and agents and brokers	110,400	109,400	106,000	1,000	4,400
Retail trade	12,500	12,400	12,100	100	400
Motor vehicle and parts dealers	23,000	22,500	21,700	500	1,300
Food and beverage stores	10,600	10,400	10,000	200	600
Clothing and clothing accessories stores	22,400	22,200	21,600	200	800
General merchandise stores	33,900	33,500	34,100	400	-200
Transportation, warehousing, and utilities	2,200	2,200	2,300	0	-100
Utilities	31,700	31,300	31,800	400	-100
Transportation and Warehousing	3,300	3,300	3,300	0	0
Air transportation	10,000	9,900	10,100	100	-100
Truck transportation	4,000	4,400	4,400	200	200
Couriers and messengers	3,200	3,200	3,200	0	0
Warehousing and storage	23,000	22,600	22,400	400	600
Information	8,900	8,900	8,900	0	0
Publishing industries, except internet	6,600	6,600	6,600	0	0
Software publishers	5,800	5,700	5,500	100	300
Telecommunications					

Nonfarm Payroll Employment (continued)

	May 2014	April 2014	May 2013	-Change from— April 2014	May 2013
Financial activities	63,700	63,500	300	200	200
Finance and insurance	41,300	41,700	-400	-200	-400
Credit intermediation and related activities	19,300	19,500	0	-200	0
Insurance carriers and related activities	18,400	17,800	600	600	600
Real estate and rental and leasing	22,400	21,900	500	500	500
Professional and business services	157,800	151,300	6,500	-200	6,500
Professional and technical services	63,900	64,300	-400	300	300
Architectural and engineering services	11,300	11,300	0	0	0
Computer systems design and related services	12,600	12,500	100	100	100
Management of companies and enterprises	32,700	32,600	100	100	100
Administrative and waste services	61,200	58,700	2,500	2,000	2,000
Administrative and support services	58,900	58,700	200	200	200
Employment services	23,700	22,800	900	900	900
Business support services	9,300	9,400	-100	100	100
Services to buildings and dwellings	14,000	13,700	300	200	200
Educational and health services	156,600	157,900	-1,300	500	500
Educational services	28,300	29,600	-1,300	1,000	1,000
Colleges and universities	13,400	14,600	-1,200	600	600
Health care and social assistance	128,300	128,300	0	400	400
Hospitals	28,900	28,700	200	200	200
Ambulatory health care services	49,300	49,600	-300	1,700	1,700
Nursing and residential care facilities	25,200	25,400	-200	500	500
Nursing homes	24,900	24,600	300	900	900
Social assistance	108,000	105,600	2,400	3,700	3,700
Leisure and hospitality	15,000	14,600	400	300	300
Arts, entertainment, and recreation	11,300	10,600	700	600	600
Amusement, gambling, and recreation	93,000	91,000	2,000	3,400	3,400
Accommodation and food services	9,600	9,300	300	100	100
Accommodation	83,400	81,700	1,700	3,300	3,300
Food services and drinking places	39,200	39,100	100	1,100	1,100
Full-service restaurants	35,500	34,200	1,300	1,900	1,900
Limited-service eating places	3,700	3,700	0	600	600
Other services	16,800	16,500	300	400	400
Membership associations and organizations	148,600	147,700	900	200	200
Government	17,500	17,600	-100	-300	-300
Federal government	23,800	23,700	100	-200	-200
State government	9,600	9,500	100	200	200
Local government	107,300	106,600	700	700	700
Local education	59,200	58,700	500	-100	-100
Labor Disputes	0	0	0	0	0

The most recent month is preliminary, the prior month is revised. Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Labor Force Status: Civilian labor force includes employed and unemployed individuals 16 years and older by place of residence. Employed includes payroll employment, self-employed, unpaid family workers, domestics, agriculture, and labor disputants. Unemployment rate is calculated by dividing unemployed by civilian labor force.

Nonfarm Payroll Employment: Data are by place of work and cover full- and part-time employees who worked or received pay for the payperiod that includes the 12th of the month. The data exclude the self-employed, volunteers, unpaid family workers, and domestics.

The Portland-Vancouver-Hillsboro metropolitan area includes Clackamas, Columbia, Multnomah, Washington, and Yamhill counties in Oregon, and Clark and Skamania counties in Washington State.

Resident Labor Force and Unemployment for Regions Within the Portland-Vancouver-Hillsboro MSA

	May 2014	April 2014	May 2013	-Change From— April 2014	May 2013
Portland-Vancouver-Hillsboro MSA	1,177,400	1,172,700	1,165,600	4,700	11,800
Civilian labor force	71,400	72,200	83,300	-800	-11,900
Unemployed	6.1	6.2	7.1		
Unemployment rate	6.3	6.3	7.3		
Unemployment rate, seasonally adjusted	1,105,900	1,100,500	1,082,500	5,400	23,400
Oregon portion of the MSA	969,800	964,400	955,600	5,400	14,200
Civilian labor force	57,800	57,800	63,300	0	-5,500
Unemployed	6.0	6.0	6.6		
Unemployment rate (not seasonally adjusted)	912,000	906,600	892,300	5,400	19,700
Clackamas County	198,600	197,500	195,600	1,100	3,000
Civilian labor force	12,000	12,000	13,100	0	-1,100
Unemployed	8.0	6.1	6.7		
Unemployment rate	6.3	6.3	6.9		
Unemployment rate, seasonally adjusted	186,600	185,500	182,600	1,100	4,000
Columbia County	23,730	23,560	23,400	150	330
Civilian labor force	1,750	1,730	1,900	20	-150
Unemployed	7.4	7.3	8.1		
Unemployment rate	7.6	7.5	8.2		
Unemployment rate, seasonally adjusted	21,980	21,850	21,500	130	480
Multnomah County	405,100	402,700	399,900	2,400	5,200
Civilian labor force	24,400	24,300	27,400	100	-3,000
Unemployed	6.0	6.0	6.9		
Unemployment rate	6.3	6.3	7.1		
Unemployment rate, seasonally adjusted	380,700	378,400	372,500	2,300	8,200
Washington County	294,600	293,000	289,500	1,600	5,100
Civilian labor force	16,700	16,700	17,600	0	-900
Unemployed	5.9	5.7	6.1		
Unemployment rate	5.9	5.9	6.4		
Unemployment rate, seasonally adjusted	277,900	276,300	271,900	1,600	6,000
Yamhill County	47,760	47,660	47,240	100	520
Civilian labor force	2,660	3,090	3,380	-420	-700
Unemployed	6.2	6.5	7.2		
Unemployment rate	6.7	6.8	7.6		
Unemployment rate, seasonally adjusted	44,830	44,570	43,860	280	970
Washington portion of the MSA (Clark and Skamania counties)	207,600	206,300	210,100	-700	-2,500
Civilian labor force	13,700	14,400	20,000	-700	-6,300
Unemployed	8.6	6.9	9.5		
Percent of Labor Force	193,900	193,900	190,100	0	3,800
Total Employed					

Components may not sum exactly to totals due to rounding.

Estimates of labor force and unemployment for MSA components are based in part on the most recent population estimates and Unemployment Insurance claims data.



PERSPECTIVE

SCALE: NONE

Sheet
1
of 1

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job no.: 06205

NEW TOWNHOUSE FOR:
-
-
NORTH PLAINS, OREGON

Partin and Hill
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STAFF REPORT

Date: April 22, 2014

To: Planning Commission

From: Martha DeBry, City Manager

Subject: Extension of Map Approval

REQUEST: Extend the subdivision approval for SD, VAR 07-0002

APPLICANT John Rankin, 26715 SW Baker Road, Sherwood Oregon 97140

OWNER: 1997 Vanderzanden Trust

TAX LOT ID Tax Lot 1N301DA3101 1N301DA3101

SIZE: 1.44 Acres

LOCATION: 30933 NW Commercial Street

LAND- USE DISTRICT: R2.5



General vicinity of lot.

North side of Commercial Street between 309th and 311th.

No existing structures on site

I. APPLICABLE REGULATIONS

- A. City of North Plains Comprehensive Plan
- B. North Plains Zoning and Development Ordinance:
 - Chapter 16.00: General Provisions
 - Chapter 16.135.020: Subdivision
 - Chapter 16.170: Application Requirements and Review Procedures

II. AFFECTED JURISDICTIONS

Domestic Water:	City of North Plains
Drainage:	Clean Water Services
Erosion Control:	Clean Water Services
Fire Protection:	Washington County Fire District #2
Parks:	City of North Plains
Police Protection:	City of North Plains
Schools:	Hillsboro School District
Sewer:	Clean Water Services
Streets:	City of North Plains
Water Quality/Quantity:	Clean Water Services

III. BACKGROUND:

The applicant is requesting an extension of an approval first granted in 2007. Due to a downturn in the economy the project was delayed and five extensions were subsequently granted. (2008, 2009, 2010, 2011, and 2012). The current extension is due to expire in May 2014. The applicant has requested the extension under 16.135.020 which provides the Commission with the authority to extend an approval if the delay is caused by circumstances out of the owner's control. In this instance the applicant is stating the economic downturn remains a barrier to the development of attached townhomes.

IV. FINDINGS

A. NORTH PLAINS COMPREHENSIVE PLAN

***FINDING:** Except where required by the North Plains Zoning and Development Ordinance, this application is not required to address the city's goals and policies related to the development of land, since the North Plains Comprehensive Plan is implemented by the municipal code.*

B. NORTH PLAINS ZONING AND DEVELOPMENT ORDINANCE

Below are applicable citations/applicable review criteria from the *North Plains Zoning Ordinance* and findings in response to the criteria. Unless discussed below, the applicant has met the requirements of the applicable review criteria fully, and/or the Code's criteria are not applicable to this proposal and therefore do not warrant discussion.

16.00.080 Termination of Approvals and Extensions

Except as otherwise provided in this Ordinance, approval of an application or permit is void after one year or such lesser time as the approval may specify unless substantial construction has taken place or the proposed use has occurred. Approval of a subdivision or PUD is void after two years or such lesser time as the approval may specify unless substantial construction has taken place or the proposed use has occurred.

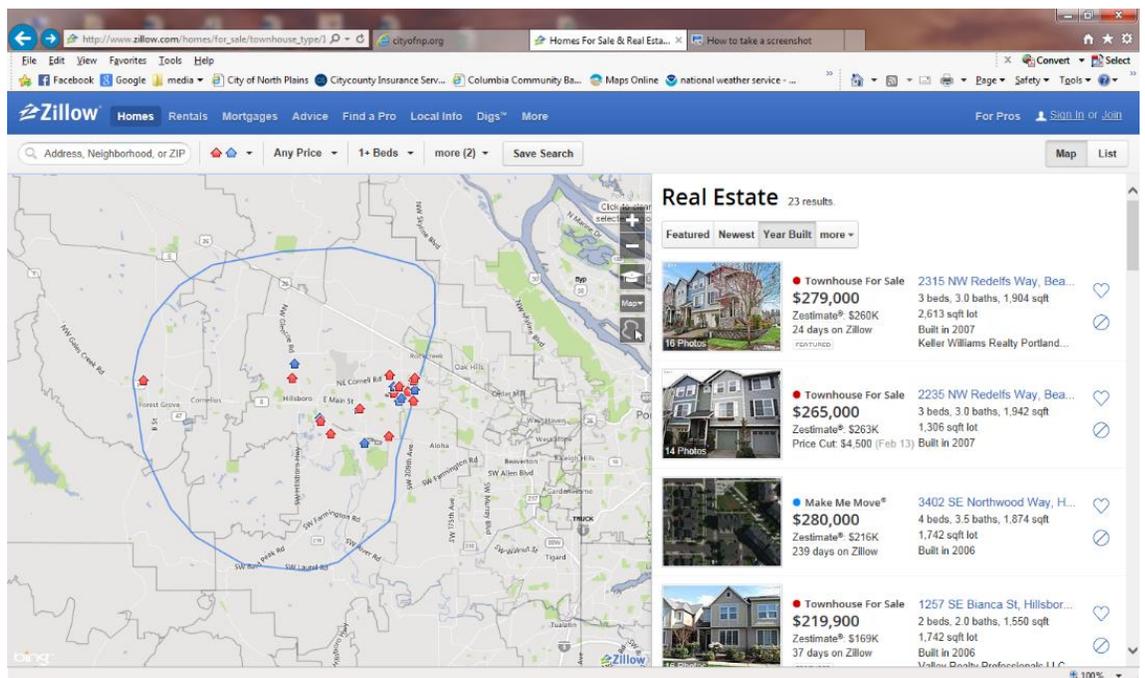
The Planning Commission may grant two year extensions for subdivisions and PUDs and one year extensions for all other applications. The Planning Commission may also grant two-year extensions of a PUD, land partition or subdivision approval that expired between January 1, 2008 and January 1, 2013. Extensions may be granted administratively if the original approval was made administratively. The request for an extension must be filed with the City on or before the expiration date.

The applicant is responsible for requesting an extension. An extension is a discretionary decision and is not granted automatically. The following criteria must be satisfied in order for the City to approve an extension:

- A. The City determines just cause for the delay and the reason for the delay is outside the control of the applicant.
- B. No significant changes to the applicable standards of this Ordinance or the applicable regulations of other affected jurisdictions (Clean Water Services, Washington County, Washington County Fire District, etc) have been made. Any extension requests shall be referred to affected city departments or other governmental jurisdictions for comment.
- C. No significant changes have been made to properties within 250 feet of the exterior boundaries of the subject property.

Previously the City has recognized the economic downturn as a valid reason for extending an approval. With the application, the applicant did not provide any hard evidence that the “market for attached townhouse residential developments is still presently very difficult and sales of such developments are very few.”

At this time there are no townhomes for sale in North Plains. Sales of attached single family homes has been successful in North Plains, as demonstrated by the completion of Cottage Pointe. There are approximately 23 townhomes for sale in the North Plains area (from Cornell east to Forest Grove) according to



Zillow on 4/22/14. There is wide availability of condominiums in the area, which would suggest that attached housing is not scarce but also not readily available within a couple miles of North Plains. The Sunset Ridge development in the eastern part of the City includes townhouse units and is expected to break ground this year. Credit markets have improved in recent years, however funding may still be difficult for this kind of standalone project. The applicant was asked to provide additional information about the application, which is included as Attachment A of this report.

There has been no additional construction in the past two years in the immediate area of the property. One minor partition was approved on Commercial Street.

Finding: *The economy is still recovering from the effects of the great recession.*

Finding: *There have been no substantial changes in the standards of the Municipal code or regulations of other affected jurisdictions.*

Finding: *There have been no significant changes to properties within 250 feet of the project.*

Chapter 16.135 APPLICATION REQUIREMENTS AND REVIEW PROCEDURES

16.135.020 Expiration of Tentative Approval

Approval of the tentative plan shall become null and void if a final plat in accordance with these regulations is not submitted within one year after the date of the approval of the tentative plan. If the subdivider cannot complete the preparation of the final plat within the one year time period, he may petition the commission an extension of the subdivision approval in accordance with the provisions of Section 16.00.080

Finding: *The Planning Commission has authority to extend the approval of the map.*

Chapter 16.170 APPLICATION REQUIREMENTS AND REVIEW PROCEDURES

16.170.000 General Provisions

The following lists set forth the type of review procedure for administrative and land use applications:

C. Type III Quasi-Judicial Permits by Planning Commission

4. Extensions for Type II and Type III permits

Finding: *The application for the approval extension is subject to a Type III review before the Planning Commission.*

16.170.012 Type III Quasi-Judicial Decisions by the Planning Decision

Pre-application Conference. A pre-application conference is required for all Type III quasi-judicial applications under this Section. The City Manager may waive this requirement.

A. The requirements and procedures for a pre-application conference are described in Chapter 16.170.001.

Finding: The City Manager waived the requirement for a pre-application conference.

B. Application Requirements.

Finding: the applicant met application requirements.

C. Notice of Hearing.

1. Mailed notice. The City shall mail the notice of the Type III application. The records of the Washington County Assessor's Office are the official records for determining ownership. Notice of the initial hearing or an appeal hearing shall be given by the City in the following manner:
 - a. At least 20 days before the hearing date, notice shall be mailed...
 - b. Content of Notice. Notice of appeal of an application or notice of a public hearing to be mailed and published per Subsection 1 above shall contain the following information...

Finding: Notices were mailed in accordance with code requirements to property owners within 250 feet.

V. SUMMARY AND CONCLUSIONS

Based upon the findings of this report and the submitted material, the applicant has demonstrated compliance with the requirements of the relevant sections of the North Plains Zoning and Development Ordinance for the requested approval. The Planning Commission can make a discretionary decision to extend the approval if it finds the information in the application is adequate to merit an extension.

Attachment A

Letter from John Rankin Regarding Economic Conditions:

Hi Martha:

Following up on our phone conversation today, I will plan on attending the Planning Commission Meeting at 7:00 pm on May 14th at the Senior Center and will be available to answer any questions or concerns.

Please kindly place this email and the following in your staff report for consideration by the Planning Commission.

Regarding additional information on the reasons why we have not been successful in marketing the 15-unit Townhome project to date and need the extension:

1. At the time we received preliminary approval the market for townhomes was strong and lenders were providing attractive terms for construction and take-out financing on townhomes.
2. We received approval just as the real estate market in general was collapsing.
3. Since receiving approval, we have been target marketing the property to developer/builders over the last many years with increased focus just this last year as the overall market began to appear to recover enough that a townhome project might be attractive again.
4. But townhome projects continue to be more difficult to market even in the recent improving real estate market, because:
 - a. Construction and take-out lenders are very few or non-existent who are even interested in single family attached housing and if they are their terms are not attractive.
 - b. I understand that Wells Fargo is the only lender who might do a take-out loan on townhome project which has been constructed using construction financing by others.
 - c. We have no meaningful sales data on townhomes because very few have been constructed and sold in Washington County in recent years comparable to this project.
 - d. When they do sell in the current market, townhomes usually now sell for about 15% less per square foot than single family detached homes.
 - e. The current demographic for townhome buyers is very limited now and is predominantly divorced single females.
 - f. The developer must create and prefund and stay in the homeowners association, and HOA's have fallen out of favor in the market place themselves with the market collapse and resulting HOA litigation.
5. Please note that this 15-unit project is a small project which is not part of a larger project single family detached housing project such as was recently approved by the City for Polygon NW. Only a very limited number of builders are interested in townhomes at this time and those few developers who build townhomes build them

- as the last units built after their single family detached homes. I have left a voice message for Fred Gast of Polygon to get additional information.
6. None of the problems now associated with townhomes existed when we obtained the original approval and the City liked (and I understand still likes) the idea of owner/occupied small lot detached and townhome density, instead of apartments.
 7. To broaden the marketing effort, we placed a “for sale” sign on the property nearly one year, and received a flurry of calls from potential buyers from Habitat for Humanity to out of town developer/builders – none of whom have made an offer. Most were looking to make a purchase at the very depressed previous market prices.
 8. Our target marketing has produced one letter of intent from a local Metro developer/builder for a purchase price of approximately two-thirds of what we and the owners think the reasonable market should be right now for townhomes. DR Horton, Lennar and Arbor/West Hills are still not interested in attached housing with Arbor moving solidly into the apartment market.
 9. The current market continues to gradually improve (although the lenders are still not funding townhomes) and we are finally getting some traction with our target marketing effort, but we need more time to market the property and consider other options for the property.
 10. We expect a reasonable price offer before the end of this year assuming the market continues to improve, and request the additional two year extension which we expect to be the last needed for this project.

I will provide more information and be available to answer questions at the PC meeting. If you have any questions or comments, please email or call me. Thanks for your help. All the best!

John

John A. Rankin, LLC.

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Sherwood, Oregon 97140

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Email: john@johnrankin.com
