



Oregon

Kate Brown, Governor

Department of Land Conservation and Development

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NOTICE OF ADOPTED CHANGE TO A COMPREHENSIVE PLAN OR LAND USE REGULATION

Date: August 05, 2015

Jurisdiction: City of Mill City

Local file no.: 2015-01

DLCD file no.: 001-15

The Department of Land Conservation and Development (DLCD) received the attached notice of adopted amendment to a comprehensive plan or land use regulation on 07/31/2015. A copy of the adopted amendment is available for review at the DLCD office in Salem and the local government office.

Notice of the proposed amendment was submitted to DLCD 36 days prior to the first evidentiary hearing.

Appeal Procedures

Eligibility to appeal this amendment is governed by ORS 197.612, ORS 197.620, and ORS 197.830. Under ORS 197.830(9), a notice of intent to appeal a land use decision to LUBA must be filed no later than 21 days after the date the decision sought to be reviewed became final. If you have questions about the date the decision became final, please contact the jurisdiction that adopted the amendment.

A notice of intent to appeal must be served upon the local government and others who received written notice of the final decision from the local government. The notice of intent to appeal must be served and filed in the form and manner prescribed by LUBA, (OAR chapter 661, division 10).

If the amendment is not appealed, it will be deemed acknowledged as set forth in ORS 197.625(1)(a). Please call LUBA at 503-373-1265, if you have questions about appeal procedures.

DLCD Contact

If you have questions about this notice, please contact DLCD's Plan Amendment Specialist at 503-934-0017 or plan.amendments@state.or.us



NOTICE OF ADOPTED CHANGE TO A COMPREHENSIVE PLAN OR LAND USE REGULATION

| | |
|---------------------|----------------|
| FOR DLCD USE | |
| File No.: | 001-15 {23618} |
| Received: | 7/31/2015 |

Local governments are required to send notice of an adopted change to a comprehensive plan or land use regulation **no more than 20 days after the adoption.** (See [OAR 660-018-0040](#)). The rules require that the notice include a completed copy of this form. **This notice form is not for submittal of a completed periodic review task or a plan amendment reviewed in the manner of periodic review.** Use [Form 4](#) for an adopted urban growth boundary including over 50 acres by a city with a population greater than 2,500 within the UGB or an urban growth boundary amendment over 100 acres adopted by a metropolitan service district. Use [Form 5](#) for an adopted urban reserve designation, or amendment to add over 50 acres, by a city with a population greater than 2,500 within the UGB. Use [Form 6](#) with submittal of an adopted periodic review task.

Jurisdiction: City of Mill City

Local file no.: **2015-01**

Date of adoption: 07/28/2015

Date sent: 8/1/2015

Was Notice of a Proposed Change (Form 1) submitted to DLCD?

Yes: Date (use the date of last revision if a revised Form 1 was submitted): 2/16/2015

No

Is the adopted change different from what was described in the Notice of Proposed Change? Yes No
If yes, describe how the adoption differs from the proposal:

Adoption is nearly identical to the original submittal to DLCD. The City inserted final maps into Chapter 4 - "Land Use" and Chapter 5 - "Natural Resources". The City prepared and adopted Findings as Exhibit "A" and made minor editorial corrections to the Comprehensive Plan update.

Local contact (name and title): Stacie Cook, MMC, City Recorder

Phone: (503) 897-2301

E-mail: sciook@ci.mill-city.or.us

Street address: 444 S. First Avenue (PO Box 256)

City: Mill City

Zip: 97360-

PLEASE COMPLETE ALL OF THE FOLLOWING SECTIONS THAT APPLY

For a change to comprehensive plan text:

Identify the sections of the plan that were added or amended and which statewide planning goals those sections implement, if any:

The 2015 Mill City Comprehensive Plan Update (Part 1) includes Chapters 1 to 6: (1) Introduction, (2) Citizen Involvement (3) Demographics & Population Forecast (4) Land Use (5) Natural Resources and (6) Economy. Updates Comp Plan policies in each chapter. Adopts updated maps

For a change to a comprehensive plan map:

Identify the former and new map designations and the area affected:

- | | | | |
|-------------|----|--------|--|
| Change from | to | acres. | A goal exception was required for this |
| change. | | | |
| Change from | to | acres. | A goal exception was required for this |
| change. | | | |
| Change from | to | acres. | A goal exception was required for this |
| change. | | | |
| Change from | to | acres. | A goal exception was required for this change. |

Location of affected property (T, R, Sec., TL and address): Various locations listed in the findings.

The subject property is entirely within an urban growth boundary

The subject property is partially within an urban growth boundary

If the comprehensive plan map change is a UGB amendment including less than 50 acres and/or by a city with a population less than 2,500 in the urban area, indicate the number of acres of the former rural plan designation, by type, included in the boundary.

| | |
|---|--|
| Exclusive Farm Use – Acres: | Non-resource – Acres: |
| Forest – Acres: 3.70 | Marginal Lands – Acres: |
| Rural Residential – Acres: 0.32 | Natural Resource/Coastal/Open Space – Acres: |
| Rural Commercial or Industrial – Acres: | Other: – Acres: |

If the comprehensive plan map change is an urban reserve amendment including less than 50 acres, or establishment or amendment of an urban reserve by a city with a population less than 2,500 in the urban area, indicate the number of acres, by plan designation, included in the boundary.

| | |
|---|--|
| Exclusive Farm Use – Acres: | Non-resource – Acres: |
| Forest – Acres: | Marginal Lands – Acres: |
| Rural Residential – Acres: | Natural Resource/Coastal/Open Space – Acres: |
| Rural Commercial or Industrial – Acres: | Other: – Acres: |

For a change to the text of an ordinance or code:

Identify the sections of the ordinance or code that were added or amended by title and number:

None.

For a change to a zoning map:

Identify the former and new base zone designations and the area affected:

| | | |
|---------------------------------|----------------|-------------|
| Change from Commercial | to Public | Acres: 0.96 |
| Change from Residential | to Public | Acres: 0.59 |
| Change from Timber Conservation | to Public | Acres: 2.84 |
| Change from Timber Conservation | to Residential | Acres: 0.86 |

Identify additions to or removal from an overlay zone designation and the area affected:

| | | |
|---------------------------|--------------|----------------|
| Overlay zone designation: | Acres added: | Acres removed: |
|---------------------------|--------------|----------------|

Location of affected property (T, R, Sec., TL and address): See Tables in Findings

List affected state or federal agencies, local governments and special districts: Linn County, Marion County, DLCD.

Identify supplemental information that is included because it may be useful to inform DLCD or members of the public of the effect of the actual change that has been submitted with this Notice of Adopted Change, if any. If the submittal, including supplementary materials, exceeds 100 pages, include a summary of the amendment briefly describing its purpose and requirements.

The 2015 Mill City Comp Plan Update (Part 1) includes adoption of 6 replacement chapters to the Mill City Comp Plan. It includes an updated Comprehensive Plan map and updated Zoning Map. The adopting ordinance includes three attachments: (1) Mill City Comp Plan Update (Part 1); (2) Findings; (3) 2015 Buildable Lands Analysis Update.

David W. Kinney
Community Development Consultant

791 E. Hollister Street

Stayton, OR 97383

Office: (503) 769-2020 ♦ Cell: (503) 551-0899 ♦ Fax: (503) 769-4111

Email: dwkinney@wvi.com

To: DLCD - Form 2 Notice of Adoption Submittal
From: David W. Kinney, Planning Consultant for the City of Mill City
Date: July 30, 2015
Subject: 2015 Mill City Comprehensive Plan Update – Part 1 - Adoption

The 2015 Mill City Comprehensive Plan Update – Part 1 includes the following sections:

- Chapter 1 - Introduction
- Chapter 2 - Citizen Involvement
- Chapter 3 - Demographics
- Chapter 4 - Land Use (including adoption of the Buildable Lands Inventory)
- Chapter 5 - Natural Resources
- Chapter 6 – Economy

Linn County and Marion County Concurrence with Proposal:

Marion County: In February 2015, the Marion County planning staff requested the City of Mill City delay final adoption of the City’s ordinance until after a public hearing before the Board of Commissioners to see if any changes were needed.

At a June 24, 2015 public hearing the Marion County planning staff recommended the County adopt the plan update, concur with the City’s population projections and approve the revised Mill City Urban Growth Boundary line to correct discrepancies that were found between the City and County maps. On July 8, 2015 the Marion County Board of Commissioners approved an ordinance to adopt the 2015 Mill City Comprehensive Plan Update (Part 1) and concur with the Urban Growth Boundary within Marion County and approve the City’s population projections.

Linn County: On February 3, 2015, Linn County Planning Director Robert Wheeldon recommended several editorial corrections to the City’s proposal. In a February 9, 2015 email, Mr. Wheeldon noted Linn County’s concurrence with the proposal and stated Linn County did not need to take any further action.

City of Mill City Adoption:

On July 29, 2015, the City Council adopted Ordinance 380 approving the 2015 Mill City Comprehensive Plan (Part 1).

The following items are included in the final package of amendments:

1. Ordinance No. 380 including the following exhibits.
 - Exhibit “A”: Findings
 - Exhibit “B”: 2015 Mill City Comprehensive Plan Update – Part 1
 - Exhibit “C”: 2015 Mill City Buildable Lands Analysis Update dated February 2015.

2. Marion County Ordinance

All of the documents included in the 2015 Mill City Comprehensive Plan Update – Part 1 are available on the City of Mill City website (<http://www.ci.mill-city.or.us>) and at City Hall, 444 First Avenue in Mill City.

2015 Mill City Comprehensive Plan Update (Part 2):

The Mill City Planning Commission intends to draft Part 2 of the Mill City Comprehensive Update over the next 6 – 9 months and adopt the Part 2 amendments by June 30, 2016. Upon completion of both phases and final adoption by the City Council, the City staff will compile the plan in a final acknowledged plan document.

ORDINANCE NO. 380

AN ORDINANCE TO ADOPT PART 1 OF THE 2015 MILL CITY COMPREHENSIVE PLAN UPDATE

WHEREAS, the Mill City Comprehensive Plan (the “Plan”) provides the overall vision, goals and policies to guide the City’s leaders and enable them to make meaningful and consistent land use decisions and investments in the community’s facilities and infrastructure, and

WHEREAS, since the original adoption and acknowledgement of the Mill City Comprehensive Plan (the “Plan”), the City has amended the comprehensive plan many times. In 1990, the City completed a periodic review update that was approved by LCDC on September 4, 1990. Since 1990, the City has adopted a number of post acknowledgment plan amendments (PAPAs) to the Plan and implementation ordinances. The City has also adopted technical planning studies to address issues that affect the entire community. These include a buildable lands analysis, flood plain hazards ordinance, local wetlands inventory, Oregon Highway 22 access management plan and public facilities plans. The PAPAs adopted by the City include these technical planning studies but also include specific quasi-judicial decisions to address land use applications submitted by individual property owners and the City, and

WHEREAS, the City has concluded that as Mill City grows there is a need to update the Plan to reflect the changes which have occurred and plan for growth to the year 2035, and

WHEREAS, the Mill City Planning Commission has elected to prepare an update to the Mill City Comprehensive Plan in two parts:

Part 1: Citizen Involvement, Demographics, Land Use, Economy and Natural Resources

A DRAFT of the 2015 City of Mill City Comprehensive Plan Update – Part 1 was submitted to the Department of Land Conservation and Development (DLCD) on February 16, 2015.

Part 2: Historic & Cultural Resources, Housing, Public Facilities, Transportation, Urban Growth

The City of Mill City Planning Commission intends to prepare the 2015 City of Mill City Comprehensive Plan Update – Part 2 in 2015 with agency review, public comment and hearings to be held by the end of June 2016.

WHEREAS, the City has prepared the 2015 City of Mill City Comprehensive Plan Update to remove out-of-date information, incorporate amendments adopted by the City since 1990 into the comprehensive plan document, update Comprehensive Plan maps, add new information to comply with statewide land use planning goals and guidelines, and to modify the City’s planning goals and policies; and

WHEREAS, the 2015 City of Mill City Comprehensive Plan Update – Part 1 includes revisions to chapters on citizen involvement, demographics, population projections, land use, economy and natural resources; and

WHEREAS, the Mill City Planning Commission has acted as the City’s citizen involvement committee to prepare the 2015 City of Mill City Comprehensive Plan Update– Part 1 and has coordinated the development of the plan amendments with DLCD’s local agency representative and with the Marion

County Planning Department, the Linn County Geographic Information Systems Department, and the Linn County Planning Department; and

WHEREAS, the City has coordinated the preparation and review the 2015 City of Mill City Comprehensive Plan Update – Part 1 with the Linn County Planning Department, the Marion County Planning Department and with the Department of Land Conservation and Development. Representatives of each agency were given an opportunity during 2014 and 2015 to review and recommend changes to the proposed plan update prior to the preparation of the final public hearing draft of the plan update; and

WHEREAS, on February 16, 2015 the City submitted the public hearing draft of the 2015 City of Mill City Comprehensive Plan Update – Part 1 and all of the attachments referenced in this ordinance to the Department of Land Conservation and Development and provided copies to affected state agencies, Marion County, Linn County and local agencies and requested the notified agencies review the proposal and submit comments to the City of Mill City by March 19, 2015; and

WHEREAS, the city’s planning consultant reviewed agency comments in March 2015 and made technical revisions to the plan update prior to a joint planning commission and city council public hearing on March 24, 2015.

WHEREAS, on March 24, 2015 the Mill City Planning Commission held an open house prior to the public hearing to share the plan update with the public; and

WHEREAS, on March 24, 2015 the Planning Commission and City Council held a joint public hearing to consider the 2015 City of Mill City Comprehensive Plan Update – Part 1 and heard testimony in favor of and asking questions about the proposed comprehensive plan update and buildable lands analysis; and

WHEREAS, on March 27, 2015 the Planning Commission held a work session to discuss the comments provided by citizens at the open house and at the public hearing and recommended several modifications to the plan; and

WHEREAS, on March 27, 2015 the Planning Commission concluded that the proposed plan was consistent with statewide land use planning goals and guideline, Oregon Administrative Rules and recommended the City Council approve the 2015 City of Mill City Comprehensive Plan Update – Part 1 and replace the outdated sections of the Mill City Comprehensive Plan; and

WHEREAS, on April 14, 2015, the City Council received the Planning Commission recommendation and deliberated about the proposal and concurred with the Planning Commission recommendations.

NOW THEREFORE, the City Council of the City of Mill City hereby ordains as follows:

Section 1. Findings. Findings of Fact, attached as Exhibit A and incorporated herein by reference, are hereby adopted as the findings and conclusion for the 2015 City of Mill City Comprehensive Plan Update – Part 1. The Findings of Fact demonstrate the comprehensive plan update complies with the State of Oregon land use planning requirements, statewide planning goals and applicable Oregon Administrative Rules and serve as a basis for the adoption of the amendments to the 2015 City of Mill City Comprehensive Plan Update – Part 1, attached as Exhibit B.

Section 2. Plan Amendment Adoption. The *2015 City of Mill City Comprehensive Plan Update – Part 1*, attached as Exhibit B and incorporated herein by reference, is adopted and amends the Comprehensive Plan for the City of Mill City.

Section 3. Comprehensive Plan Map Adoption. The City of Mill City Comprehensive Plan map that is included as Map LU-1 in the *2015 City of Mill City Comprehensive Plan 2015 Update – Part 1* and incorporated herein by reference, is adopted by the City of Mill City.

Section 4. Buildable Lands Analysis Adoption. The *Mill City Buildable Lands Analysis Update* dated February 2015, attached as Exhibit “C” and incorporated herein by reference, is adopted as a technical amendment to the Comprehensive Plan for the City of Mill City.

Section 5. Compilation of the Mill City Comprehensive Plan. The City Recorder is directed to compile and publish a current version of the *Mill City Comprehensive Plan*, which incorporates all the plan amendments adopted by this ordinance.

Section 6. Repeal.

- a. Ordinance 251 enacted on January 25, 1994 is hereby repealed.¹
- b. Ordinance 343 enacted on January 9, 2007 is hereby repealed.²
- c. Ordinance 348 enacted on December 11, 2007 and executed by the Mayor on January 8, 2008 is hereby repealed.³
- d. Ordinance No. 355 enacted by the City on July 14, 2009 is hereby repealed.⁴

Section 7. Severability. The provisions of this ordinance are severable. If a section, sentence, clause, or phrase of this ordinance is adjudged by a court of competent jurisdiction to be invalid, the decision shall not affect the validity of the remaining portions of this ordinance.

¹ Ordinance 363, adopted on April 12, 2012, approved amendments to Title 17 of the Mill City Municipal Code. Chapter 17.06 “Comprehensive Plan” was added. It supersedes Ordinance 251. Repeal of Ordinance 251 is a housekeeping measure to eliminate an unneeded ordinance.

² Ordinance 343, adopted on January 9, 2007, was not signed by city officials or submitted to the Department of Land Conservation and Development or Oregon Department of Revenue. The ordinance approved a Comprehensive Plan map amendment and Zone Change for two publicly owned parcels east of Kimmel Park and annexed the properties into the City of Mill City. The 2015 Comprehensive Plan Map, Map LU-1, shows these two parcels as Public. Map LU-3 shows they retain Linn County UGA-RR 2.5 zoning since the properties are not inside the City. Repeal of Ordinance 343 is a housekeeping measure.

³ Ordinance 348, adopted on December 11, 2007, approved a UGB Amendment, Comprehensive Plan map amendment and Zone Change for the Robert and Vickie Ward property at the west end of SW Spring Street. The ordinance stipulated that Linn County must also approve the proposal. Linn County did not concur. Linn County approved a small UGB amendment to include the Ward’s home inside the Mill City UGB. Linn County Ordinance 2008-490 enacted on December 23, 2008 approved a small UGB amendment. A property line adjustment was approved on February 19, 2014 to consolidate the Ward’s home site into one parcel. The Goal 14 findings in Exhibit “A” describe these actions in more detail. The 2015 Comprehensive Map, Map LU-1, concurs with the Linn County decisions and extends the UGB line to include the Ward’s home within the Mill City UGB. Repeal of Ordinance 348 is a housekeeping measure.

⁴ Ordinance 355, adopted on July 14, 2009, approved a UGB Amendment and Comprehensive Plan map amendment for Donald and Carol Cree for property on Lyons-Mill City Drive. The ordinance stipulated that Linn County must concur with the proposal. The applicants filed an application with Linn County but withdrew their proposal before Linn County took any action. Repeal of Ordinance 355 is a housekeeping measure.

Section 8. Effective Date. This ordinance shall be effective thirty days after adoption and execution by the Mayor.

Section 9. Notification to DLCD, Marion County and Linn County. The City Recorder will provide notification of the City's adoption of this ordinance to the Oregon Department of Land Conservation and Development, Marion County and Linn County as a post-acknowledgement plan amendment.

This Ordinance read for the first time by title only on 14th day of April 2015.

This Ordinance read by title only for the second time on 28th day of July 2015.

This Ordinance passed on the 28th day of July 2015 by the city council and executed by the mayor this 29th day of July 2015.

Date: 7/29/2015 By: /s/
THORIN THACKER, Mayor

Date: 7/29/2015 Attest: /s/
STACIE COOK, MMC, City Recorder

APPROVED AS TO FORM

Date: _____ By: _____
JAMES L. McGEHEE, City Attorney

Attachments:

Exhibit "A" - Findings

Exhibit "B" - City of Mill City Comprehensive Plan 2015 Update – Part 1

Exhibit "C" - Mill City Buildable Lands Analysis Update dated February 2015

Section 8. Effective Date. This ordinance shall be effective thirty days after adoption and execution by the Mayor.

Section 9. Notification to DLCD, Marion County and Linn County. The City Recorder will provide notification of the City's adoption of this ordinance to the Oregon Department of Land Conservation and Development, Marion County and Linn County as a post-acknowledgement plan amendment.

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29th day of July 2015.

Date: 7-29-15

By:



THORIN THACKER, Mayor

Date: 7-29-15

Attest:



STACIE COOK, MMC, City Recorder

APPROVED AS TO FORM

Date: _____

By:

JAMES L. McGEHEE, City Attorney

Attachments:

Exhibit "A" - Findings

Exhibit "B" - City of Mill City Comprehensive Plan 2015 Update – Part 1

Exhibit "C" - Mill City Buildable Lands Analysis Update dated February 2015

Exhibit “A”

City of Mill City Comprehensive Plan 2015 Update – Part 1

Findings

Exhibit A

FINDINGS IN SUPPORT OF THE 2015 MILL CITY COMPREHENSIVE PLAN UPDATE – PART 1

The proposed 2015 Mill City Comprehensive Plan Update – Part 1 including updated comprehensive plan background information, goals, policies and maps are in conformance with the following Statewide Planning Goals and Comprehensive Plan Policies:

STATEWIDE PLANNING GOALS

GOAL 1: CITIZEN INVOLVEMENT: TO DEVELOP A CITIZEN INVOLVEMENT PROGRAM THAT INSURES THE OPPORTUNITY FOR CITIZENS TO BE INVOLVED IN ALL PHASES OF THE PLANNING PROCESS.

The proposed 2015 Mill City Comprehensive Plan Update – Part 1 was developed to replace an outdated version of the Mill City Comprehensive Plan. The Mill City Planning Commission serves as the City's appointed Citizen Involvement Committee to review and update the existing comprehensive plan. The Planning Commission's annual work program recommends the City complete the update of the Comprehensive Plan in two phases. The Planning Commission work plan anticipates Part 1 of the plan update will be completed and adopted by June 30, 2015 and Part 2 of the plan update will be drafted and adopted by June 30, 2016.

The 2015 Mill City Comprehensive Plan - Part 1 includes the following sections:

- Chapter 1 - Introduction
- Chapter 2 - Citizen Involvement
- Chapter 3 - Demographics
- Chapter 4 - Land Use (including adoption of the Buildable Lands Inventory)
- Chapter 5 - Natural Resources
- Chapter 6 - Economy

The proposed Plan Amendment is the result of a multijurisdictional effort to develop local wetland and riparian inventories, reports, and Goal 5 program for protection of wetland and riparian resources. Wetland consultants conducted the inventory and developed reports determining locally significant natural resources. As part of the process letters to property owners, where wetlands were suspected, were mailed asking permission to access properties along with the following subsequent citizen involvement efforts in the development of the proposed Plan Amendment Ordinance:

The 2015 Mill City Comprehensive Plan Update - Part 2 will include chapters on Historic and Cultural Resources, Parks and Open Space, Housing, Public Facilities, Transportation, and Urban Growth Boundary. Upon completion of both phases, the City staff will compile the plan in a final acknowledged plan document.

Agency Coordination

The City involved the following state, county and local agency representatives while the plan was being developed.

1. Department of Land Conservation and Development (DLCD): Ed Moore, DLCD's South Willamette Valley Regional Representative, and the City's Planning Consultant David Kinney met periodically from August to November 2014 to discuss the DRAFT plan update. Mr. Moore reviewed various working drafts and suggested revisions to address statewide planning goals and administrative rules. The City and DLCD agreed that the 2015 Mill City Comprehensive Plan Update would be developed in two parts and would follow the post-acknowledgment plan amendment process.
2. Oregon Employment Department: Will Summers, Workforce Analyst, in the Employment Department's Albany office provided economic and demographic data for inclusion in Chapter 3 "Demographics" and Chapter 6 "Economy".
3. Mid-Willamette Valley Council of Governments: Renata Wakely provided economic and land use data for the North Santiam Canyon region.
4. Marion County Planning Department: Brandon Reich, Senior Planner, reviewed early drafts of the plan amendments related to demographics, land use and the economy. He also reviewed the DRAFT findings and the Mill City Buildable Lands Analysis Update. He added several constructive suggestions and edited each document to add clarity.
5. Linn County Geographic Information System (GIS) Department: Linn County GIS staff updated the land use data for vacant land, infill, constrained land (steep slopes, wetlands, non-buildable areas). Steve Barnett, GIS Director, and Scott Valentine, GIS Analyst, completed a review of all buildable lands in January 2015 and generated new data tables and maps for inclusion in the comprehensive plan document.
6. Linn County Planning Department: Linn County Planning Director Robert Wheeldon and Planner Olivia Glantz reviewed the completed DRAFT of the Comprehensive Plan and provided technical information on natural resources lands. Mr. Wheeldon also discussed coordination of the Comprehensive Plan map and concluded Linn County did not need to take any additional action to concur with the Mill City Comprehensive Plan map or UGB location, since it was consistent with prior actions taken by Linn County.
7. GROW Santiam: Allison McKenzie, Executive Director of GROW Santiam of the North Santiam Economic Development Corporation provided resource information for Chapter 6 "Economy".

The City emailed .pdf copies of the [2015 Mill City Comprehensive Plan Update – Part 1](#) to various local, county, regional and state agencies for revisions and suggestions. A Form 1 Notice of Proposed Plan Amendment was provided to DLCD on February 16, 2015.

Local Citizen Involvement:

Copies of Phase 1 of the [2015 Mill City Comprehensive Plan Update – Part 1](#) were made available to the public for review on the City of Mill City website ([City of Mill City, Oregon](#)) and at City Hall, 444 First Avenue in Mill City. A public hearing DRAFT of the staff report, findings document and [2015 Mill City Comprehensive Plan Update – Part 1](#) was available for public review at City Hall in Mill City on March 1, 2015.

As part of the post acknowledgment plan amendment process, the City provided the community with the following notices of the plan update process:

1. The City included information on the 2015 Comprehensive Plan Update in the City newsletter mailed to all utility customers in February 2015.
2. The City provided information about the 2015 Mill City Comprehensive Plan Update to the Canyon Weekly, the local Mill City newspaper, in February 2015. The City published a Notice of Public Hearing for the joint public hearing in the February 27th edition of the Canyon Weekly.
3. The Mill City Planning Commission discussed the proposed 2015 Mill City Comprehensive Plan Update, goals, policies and draft chapters at almost all of the regularly scheduled meetings of the Commission from May 2014 through March 2015.
4. A public Open House was held by the City to inform community residents of the plan update on March 24, 2015 from 5:00 to 6:30 p.m. at the City Hall, 444 S. First Avenue, Mill City.
5. The Mill City Planning Commission and City Council held a joint public hearing on March 24, 2014 as part of a regularly scheduled city council meeting to consider the 2015 Mill City Comprehensive Plan Update – Part 1.

At the March 24, 2015 public hearing, approximately 30 citizens attended the open house and 10 citizens attended the public hearing following the open house. The City received public testimony regarding industrial lands, future economic development opportunities, zoning of particular parcels in the multi-family residential zone, zoning of the 1st-4th/Fairview to Kingwood area as multi-family residential land, redesignation and rezoning of the Trio Tavern to Commercial use, and the addition of language regarding the Oregon Connections Academy, an on-line elementary and secondary education program. The Planning Commission deliberated on each item at their March 27, 2015 meeting and included their findings and conclusions in a written recommendation to the City Council.

6. The Mill City Planning Commission deliberated on the proposal at a special meeting on March 27, 2015 and recommended that the City Council adopt the 2015 Mill City Comprehensive Plan Update – Part 1.

GOAL 2: LAND USE PLANNING: TO ESTABLISH A LAND USE PLANNING PROCESS AND POLICY FRAMEWORK AS A BASIS FOR ALL DECISIONS AND ACTIONS RELATED TO THE USE OF LAND AND TO ASSURE AN ADEQUATE FACTUAL BASE FOR SUCH DECISIONS AND ACTIONS.

The proposed Plan Amendment Ordinance is consistent with Goal 2 because the Comprehensive Plan Amendment followed the land use planning process established by the existing Mill City Code, Chapter 17.06 and OAR 660-018 regarding post-acknowledgement plan amendments.

OAR 660-018 Post Acknowledgment Plan Amendments

660-018-0020 Notice of a proposed change to a Comprehensive Plan

The City submitted the 2015 Mill City Comprehensive Plan Update – Part 1 to DLCD in compliance with OAR 660-018-0020. The City's submittal included (1) the proposed text of the comprehensive plan update, (2) a summary of the proposal, (3) a draft notice of public hearing and (4) draft findings demonstrating compliance with statewide planning goals, guidelines and administrative rules.

660-018-0021 Joint submittal of Notices by affected local governments

The proposed 2015 Mill City Comprehensive Plan Update – Part 1 were jointly submitted by the City of Mill City, Linn County Planning Department and Marion County Planning Department. The proposed amendments require concurrence from both Linn County and Marion County because there are minor adjustments to the Mill City Urban Growth Boundary (UGB).

660-018-0035 DLCD Participation

The City of Mill City solicited comments from DLCD during the preparation of the comprehensive plan update. Ed Moore, DLCD representative, provided advisory recommendations to assist the City in complying with statewide planning goals, state statute and Oregon Administrative Rules.

ORS 197.296, OAR 660-008 and OAR 660-024 Buildable Lands and Allocation of Housing Mix

The City of Mill City prepared the Mill City Buildable Lands Analysis Update, dated September 2014 to provide accurate data for the 20-year planning period from 2014 to 2035. This 2014 buildable lands analysis update will be a technical amendment to the Mill City Comprehensive Plan and will be adopted concurrently with the 2015 comprehensive plan update.

The Mill City Buildable Lands Analysis Update identifies suitable and available buildable residential lands in compliance with ORS 197.296, OAR 660-008, 660-009 and 660-024. See Goal 9 below for findings related to Economic Development and employment lands.

The analysis satisfies the inventory requirements in ORS 197.296 (3)(a) and (3)(b), through its inventory of the supply of buildable lands within the Mill City UGB, analysis of the capacity of the buildable lands to provide for housing need by type and density range. The Linn County's Geographic Information Systems (GIS) Department inventoried all land inside the Mill City UGB utilizing real property data from Linn County and Marion County.

For residential properties buildable land included:

- (1) All vacant lands planned and zoned for residential use.
- (2) Partially vacant lands planned and zoned for residential use. This includes infill lots which are partially developed but may be divided to create additional building lots on the vacant portion of the parcel meeting the minimum lot sizes in the R-1 and R-2 residential zones.
- (3) Redevelopable land. Redevelopable land is defined as low value properties where the improvement value of existing structures is less than 33% of the 2014 assessed land value.
- (4) Infill land. Infill land is defined as the undeveloped portion of a developed property that could be partitioned or subdivided into one or more building lots meeting the minimum lot requirements of Mill City's residential zoning code. Existing residential lots of 0.50 acres or smaller were generally considered fully developed.

Constrained lands, complying with definitions in OAR 660-008-0005 (2), were identified and mapped and then subtracted from to arrive at a net buildable land total. Constrained lands deemed unavailable for development included:

1. Locally significant wetlands identified in the City of Mill City Local Wetlands Inventory (2011).
2. Slopes 25% or greater
3. North Santiam River Floodway

4. Bonneville Power Administration easement

The *Mill City Buildable Lands Analysis Update* provides the City with a factual basis for determining whether or not the City of Mill City has an adequate supply of land inside the Mill City UGB to provide for residential and employment needs over the next 20 years. It includes an analysis of housing mix and densities (OAR 660.008.0010), an analysis of employment land needs (OAR 660.009.0015) and addresses whether or not there is an adequate supply of buildable residential and employment lands inside the UGB (OAR 660.024.0040 and 660.024.0050).

The *Mill City Buildable Lands Analysis Update* concludes Mill City has a 20-year supply of available land that can be developed for residential, commercial, industrial, and public uses and complies with OAR 660.024.0040. The buildable lands analysis and the *2015 Mill City Comprehensive Plan Update* comply with Goal 2 requirements to serve as the factual basis for decisions and actions related to the use of land within the Mill City UGB. Chapter 4 summarizes the findings of the updated buildable lands analysis and concludes the City has sufficient land available for both residential and employment lands.

ORS 195.025, ORS 195.033 and ORS 195.034(2) Population Forecast

The state requires each county to coordinate planning activities and establish a population forecast for the entire county and to coordinate this forecast with the local governments within its boundary. (OAR 195.025 and 195.033).

Marion County prepared a coordinated population forecast for the County and its twenty incorporated cities in 2009. The last time Linn County prepared a coordinated population forecast that included Mill City was 1999 which forecast population only to 2020. Since Linn County's population forecast does not cover the entire 20-year planning period, a city is allowed to use an alternate population forecast. Therefore Mill City has used an alternative population forecast for the plan period as provided for ORS 195.034 (2).

Chapter 3 – “Demographics” includes the methodology used to update the City's population forecast. The City's 2013 certified population estimate of 1,870 people was 0.424% of the total certified population estimate of 441,535 for both counties. The City assumes the City's share of the combined population of the two counties will remain at 0.424% over the next forty years. Mill City's population is estimated to increase from 1,870 people in 2013 to 2,461 people in 2035 at the end of the 20-year planning period. The average annual growth rate from 2013 to 2035 is estimated to be 1.25% annually. The Linn County and Marion County population forecasts will be updated by Portland State University's Center for Population Research in 2016-2017. The population forecast complies with state statute and Goal 2.

COMPREHENSIVE PLAN MAP AMENDMENTS:

As part of the *2015 Mill City Comprehensive Plan Update – Part 1* the City reviewed the Mill City Comprehensive Plan map and the Mill City UGB boundary to determine if all of the comprehensive plan map amendments approved since 1990 were included on the Comprehensive Plan maps on file with Linn County, Marion County, the City of Mill City and DLCDC. Based on that review, the City discovered some discrepancies between the City of Mill City, Marion County and Linn County versions of the Mill City UGB and Comprehensive Plan maps.¹

¹ The City of Mill City lost most of its land use files in a September 2010 fire at the City Hall. The City has worked with Linn County, Marion County and DLCDC to recompile and reconstruct the records of all post-acknowledgment plan amendments since 1990. There are records of several Comprehensive Plan amendments which could not be reconstructed.

In order to rectify any past administrative errors, mapping errors or omissions, the City and both counties will readopt the Mill City Comprehensive Plan map and the Mill City UGB as part of the 2015 Mill City Comprehensive Plan Update. In addition to the map corrections, the Mill City Planning Commission identified several city-owned parcels which should be redesignated from Residential to Public on the Comprehensive Plan map.

Map LU-1, the Mill City Comprehensive Plan map, is amended as part of the 2015 Mill City Comprehensive Plan Update – Part 1 to reflect the following changes to the plan designations and the Mill City Urban Growth Boundary. Table 1 “Linn County” and Table 2 “Marion County” list the Comprehensive Map and UGB amendments in each county. After the tables are maps showing the specific parcels.



Mill City, Oregon - Comprehensive Plan



Mill City Comprehensive Plan
 The Mill City Comprehensive Plan is available at Resolution No. 654 on May 13, 1980.
 See item number below.

Ordinance No. 60 - Amending the Comprehensive Plan Map, adopted April 6, 1981.
 Ordinance No. 237 - Amending the Comprehensive Plan Map, adopted June 7, 1980.
 Ordinance No. 248 - Amending the Comprehensive Plan Map, adopted October 28, 1980.
 Ordinance No. 259 - Amending UGB and UGB Extension, adopted December 28, 1980.
 Ordinance No. 261 - Amending UGB in NW section of City north of Hwy 12, adopted November 23, 2002.
 Ordinance No. 262 - Redesignate Kinnear Park, University from Residential to Public, adopted April 13, 2007.
 Ordinance No. 263 - Redesignate Kinnear Park, University from Residential to Public, adopted April 13, 2007.
 Ordinance No. 264 - Amend UGB and Discontinue North Residential Site to Public, adopted January 25, 2005.
 Ordinance No. 209 - Redesignate Willow Addition from Residential to Commercial and Residential, adopted January 25, 2005.
 Ordinance No. 231 - Redesignate Kinnear Park, University from Residential to Public, adopted June 27, 2004.
 Ordinance No. 232 - Redesignate SE 1st & Franklin from Commercial to Public, adopted January 10, 2006.
 Ordinance No. 233 - Adopt Alternative Transportation Plan (Trail) Plan, adopted March 14, 2006.
 Ordinance No. 235 - Adopt Kinnear Park, University Plan, adopted March 14, 2006.
 Ordinance No. 237 - Amend UGB and UGB Extension, adopted February 28, 2006.
 Ordinance No. 238 - Amend UGB and UGB Extension, adopted February 28, 2006.
 Ordinance No. 239 - Amend UGB and UGB Extension, adopted February 28, 2006.

Replace Note Box with the following
 Mill City Comprehensive Plan Map
 The Mill City Comprehensive Plan Map was adopted as part of the 2015 Mill City Comprehensive Plan Update.
 Effective Date: May 13, 2015.

Site 6
 CREE
 9 3E 31BA 00400 4.37 acres
 Leave Map as is
 Applicant failed to get Linn County approval for Comp Plan map change in 2009.

Site 3
 9 3E 30CD 00103 (part)
 Ward - UGB Extension & Designate Residential
 0.32 +/- acres

Site 4
 9 3E 30DC 02700 + 02800
 City of Mill City - Evergreen Park
 Redesignate from Residential to Public
 0.58 acres

Site 8
 CITY of MILL CITY
 North Reservoir Site
 9 3E 29CB 2.84 acres
 Marion County concurrence w/ UGB & Comp Plan designations.

FIX
 Commercial

Site 7
 RUNYON
 9 3E 29CA 02600
 0.86 acres
 Marion County concurrence w/ UGB & Comp Plan designations.

FIX
 CRD 342 - Public

Site 5
 Change Com to Public if SCSD concurs

Sites 1 & 2
 9 3E 29 00300 +
 9 3E 29 00301 (part)
 Change from Residential to Public
 2.24 +/- acres

Fix Wall St connection to Alder to match Assessor's map

Fix and reference that UGB is approved by the City of Mill City, Marion County and Linn County

Note
 The UGB boundary was expanded as well for display purposes. The N. Salmon River was expanded for display purposes to include all lands identified as water in assessment data. This map is intended for assessment and display purposes only. It is subject to errors and omissions. Linn County disclaims any liability as to the accuracy of the data. This map was developed using Marion County's Geographic Information System digital data, but this secondary product has not been verified by MARION COUNTY and is not Marion County authorized.

Legend

- Commercial
- Industrial
- Non-Buildable
- Public
- Residential
- Special Planned Development
- Pedestrian Trail
- Tax Lots
- Streams
- UGB
- Tax Lots
- Rd/Txt

Informational purposes only and may not have been prepared for legal, engineering, or surveying purposes. Users of this information must consult the primary data and informatic sources to ascertain the information.

Table 1
**Mill City Comprehensive Plan Map Amendments
 In Linn County**

| <i>Mill City Comprehensive Plan Map Amendments</i> | | | | | <i>Comprehensive Plan Designation</i> | | <i>UGB Modification</i> | |
|--|-----------------------|---|--|---------------------|--|--|-------------------------|------------------|
| <i>#</i> | <i>Assessor's Map</i> | <i>Tax Lot</i> | <i>Acres</i> | <i>Added to UGB</i> | <i>Owner</i> | <i>From</i> | | <i>To</i> |
| Linn County | | | | | | | | |
| 1 | 09S03E 29 | 00300 | 1.84 | | City of Mill City | Residential | Public | No ² |
| 2 | 09S03E 29 | 00301 (part) | 0.50 | | Mill City Volunteer FD | Residential | Public | No ³ |
| | | | | | Ordinance 343 – CP/ZC & Annexation of City properties east of Kimmel Park Adopted 1-09-2007. Not signed or submitted to Linn County or the Oregon Dept. of Revenue for the annexation. Repeal Ordinance 343. Include these parcels on Comp Plan map as 2015 amendment. | | | |
| 3 | 09S03E 30CD | 00103 (part) | 0.32 | .32 | Ward | LC RR-2.5 | Residential | Yes ⁴ |
| | | | | | City is concurring w/ Linn County UGB amendment for Ward | | | |
| 4 | 09S03E 30DC | 02700 02800 | 0.22 0.37 | | City of Mill City | Residential | Public | No |
| 5 | 09S03E 30DD | 07350 07700 07701 07799 07800 07801 07900 07901 08000 | 0.32 0.09 0.03 0.01 0.11 0.02 0.27 0.05 0.06 | | Santiam Canyon School District (0.86 acres) and the City of Mill City (0.10 acres) | Commercial | Public | No |
| 6 | 09S03E 31BA | 00400 | 4.37 | | Cree | Check w/ Linn County if they ever did anything with this parcel. | | Repeal Ord 355 |
| | | | | | Ordinance 355 adopted 7/14/2009 subject to Linn County concurrence with the UGB amendment. Verified with County that no final action was taken by Linn County. Repeal Ordinance 355. | | | |
| Linn County Totals | | | | .32 | | | | |

² City File 2005-01-03. Ordinance 343 adopted on January 9, 2007 approved this Comprehensive Plan map amendment from Linn County UGA RR-2.5 to Public (P) to add a city-owned parcel at the east end of Kimmel Park adjacent to the N. Santiam River. The City of Mill City does not have a copy of the signed Ordinance 343 nor evidence that Ordinance 343 was submitted to DLCD after adoption. Ordinance 343 will be repealed by the City and superseded by this Comprehensive Plan Map update.

³ Ibid. City File 2005-01-03. Ordinance 343 adopted on January 9, 2007 approved this Comprehensive Plan map amendment from Linn County UGA RR-2.5 to Public (P) to add 0.50 acre portion of a Mill City Volunteer Fire Dept parcel (Boy Scout cabin site), next to site 1 above. The City of Mill City does not have a copy of the signed Ordinance 343 nor evidence that Ordinance 343 was submitted to DLCD after adoption. Ordinance 343 will be repealed by the City and superseded by this Comprehensive Plan Map update.

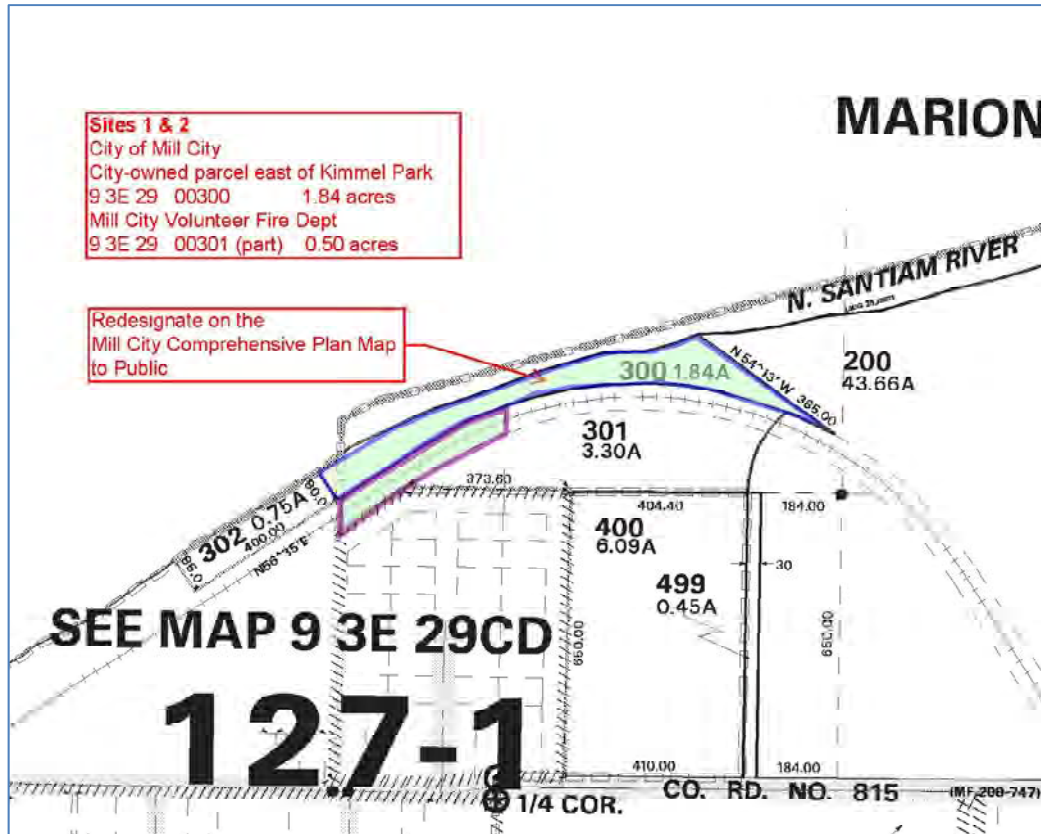
⁴ City File 2007-07-09 - Ward UGB Amendment. Adds 0.32+/- acres to the Mill City UGB to include the Ward home which was previously ½ inside the UGB and ½ outside the UGB line. In January 2009, City Ordinance 347 approved a 10+ acre UGB expansion. Linn County did not concur. The updated Mill City UGB map concurs with Linn County's approval of a .32+/- acre UGB extension, Linn County Ordinance B008-0001 enacted on December 23, 2008 and finalized by Linn County on February 19, 2014 with a property line adjustment to consolidate parcels. See Linn County's findings are in their Land Use file. See later Goal 14 Findings in this document.

Descriptions of Comprehensive Map Amendments in Linn County

Sites 1 and 2 Publicly Owned Parcels East of Kimmel Park along the N. Santiam River

T9S R3E, Section 29 00300 City of Mill City 1.84 acres, 1.76 outside city limits
 00301 Mill City Volunteers 0.50 acres, part of existing parcel

Proposed Plan Designation on 2015 Comprehensive Plan Map: Public



Summary of Prior Land Use Actions:

In 2005 the City initiated, but did not complete, a land use action to:

- (1) Redesignate on the Comp Plan map from Residential to Public a city-owned 1.84 acre parcel and a 0.50 acre parcel owned by the Mill City Volunteer Firefighters.
- (2) Rezone the properties from Linn County RR-2.5 to Public (P), and
- (3) Annex the properties to the City of Mill City

The City of Mill City adopted Ordinance 343 on January 9, 2007. There is no signed ordinance and the City did not send a Notice of Adoption to DLCD or an approved map or legal description to the Oregon Department of Revenue to complete the annexation of the parcel.

The two parcels are publicly owned sites.

TL 300: This 1.84 acre parcel is owned by the City of Mill City. It is an undeveloped site east of Kimmel Park and north of the City's wastewater treatment facility. The majority of the site is a steep bank along the North Santiam River. The Mill City Master Park Plan (2014) identifies the site as part open space area of Kimmel Park.

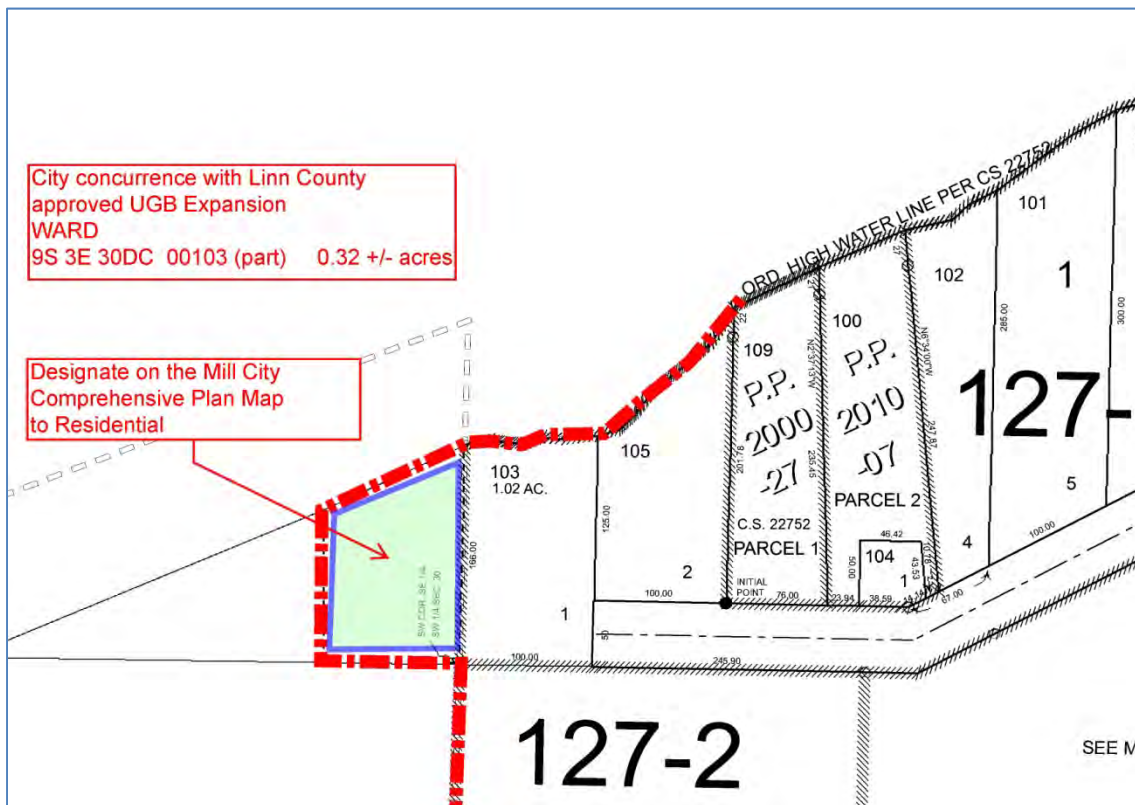
TL 301: This 0.50 acre site owned by the Mill City Volunteer Fire Department is part of the old railroad right-of-way that ran through this area. It is part of a larger 3.30 acre parcel that has already been designated Public on the Comprehensive Plan map.

The City concludes this map amendment is a housekeeping measure. Ordinance 343 will be repealed.

Site 3 Ward – Add 0.32 acres to Mill City UGB

Robert and Vickie Ward
T9S R3E, Section 30CD, Tax Lot 00103 0.32+/- acres

Proposed Plan Designation on 2015 Comprehensive Plan Map: Residential



Summary of Prior Land Use Actions:

In 2007, the property owners Robert and Vickie Ward submitted an application to the City of Mill City to:

- (1) Extend the UGB to add the 9.35 acres to the Mill City UGB,
- (2) Redesignate the property on the Mill City Comprehensive Plan map to Residential
- (3) Leave 9.16 +/- acres as Linn County RR-2.5 zoning.
- (4) Rezone a 0.19 acre piece of the property that included the west half of the applicant's home site at 1395 SW Spring St. to Single Family Residential (R-1), and
- (5) Annex the 0.19 acre property to the City of Mill City

On December 11, 2007, the City of Mill City approved Ordinance 348, approving all elements of the proposal as submitted by the applicant. The City adopted findings justifying the UGB amendment, plan redesignation and zone change. The City's approval was subject to concurrence by Linn County.

After consideration of the proposal, the Linn County Board of Commissioners did not approve the UGB amendment for the entire 9.35 acres. Instead, the Commissioners approved a UGB amendment for a 0.62 acre parcel to include the applicant's home in the Mill City UGB.

On December 23, 2008 the Linn County Board of Commissioners approved Ordinance No. 2008-490 to remove approximately 0.62 acres from the Linn County Comprehensive Plan map and add it to the Mill City UGB. The findings in support of the ordinance were approved as part of Resolution and Order No. 2008-479, Linn County File BC-008-0001. Notice of Adoption was provided to DLCD on December 24, 2008.

The applicant's completed a property line adjustment approved by Linn County on February 14, 2014 to consolidate their home in one 0.62 acre parcel. The UGB line is modified to include all of Parcel 1, Partition Plat 2014-37 as shown on CS 25487, as recorded with the Linn County Surveyor.

As part of the 2015 Mill City Comprehensive Plan Update – Part 1, the City of Mill City repeals Ordinance 348 and adopts Map LU-1, the 2015 Mill City Comprehensive Plan map that shows the modified Mill City UGB boundary as approved by Linn County and shown on CS 25487.

The City adopts the Linn County findings by reference.

The City concludes this map amendment is a housekeeping measure. The 2015 Comprehensive Plan Map update will concur with Linn County's approval of this UGB amendment. City Ordinance No. 348 will be repealed.

The City will provide DLCD with an updated Notice of Adoption of the PAPA including the new City ordinance concurring with Linn County's prior approval and including a map showing the new UGB line based on Partition Plat 2014-37.

Site 4 Evergreen Wayside Park

| | | | |
|-----------------------|-------|-------------------|------------|
| T9S R3E, Section 30DC | 02700 | City of Mill City | 0.22 acres |
| | 02800 | City of Mill City | 0.37 acres |

Proposed Plan Designation on 2015 Comprehensive Plan Map: Public



Summary of Prior Land Use Actions:

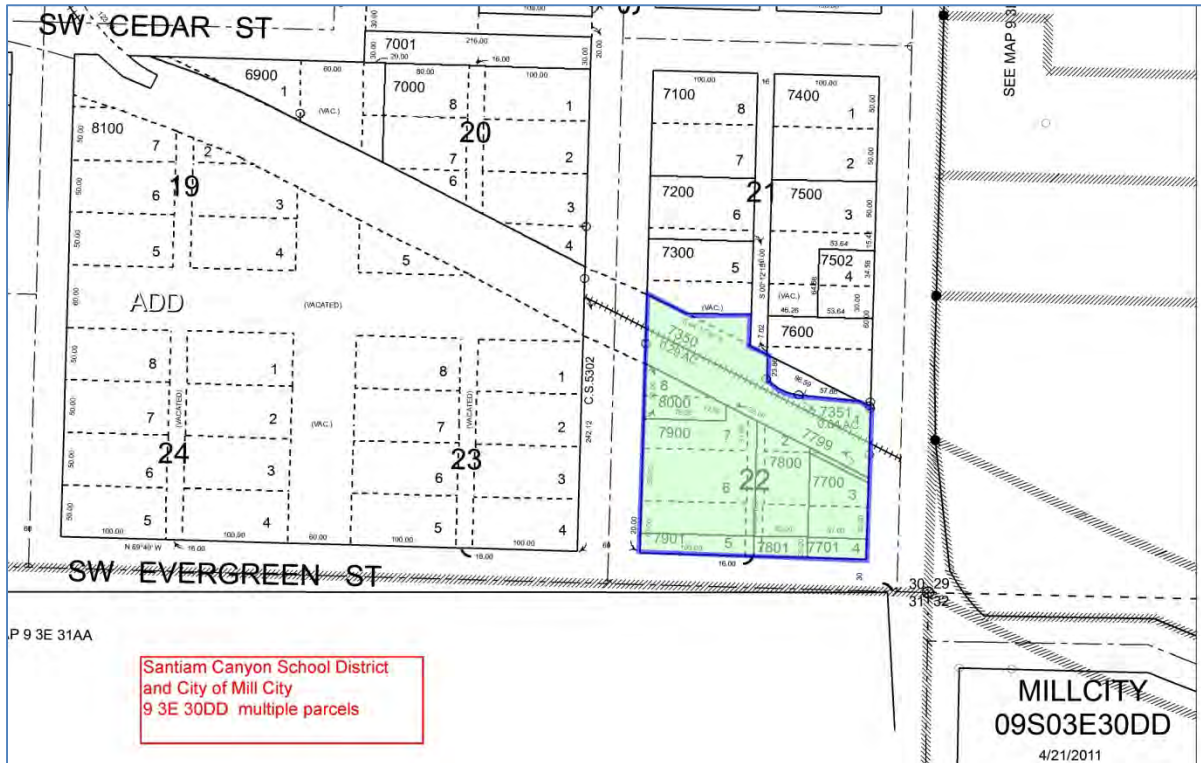
These two small parcels comprise Evergreen West neighborhood park adjacent to the recreation trail west of SW 8th Avenue. TL 2800 was the site of the old “Circle Sewer” a septic system that served homes on Parkside Drive. The system was abandoned when the City constructed its wastewater collection system in the mid-1990s. TL 2700 was donated to the City.

The Evergreen West park is identified in the *Mill City Park Master Plan* as a neighborhood park/green space with minimal improvements. It will include trail connections, grassy area and a picnic table or two. The City concludes this map amendment is a housekeeping measure to redesignate the parcels to Public (P) on the plan map since they are already committed to public use.

Site 5 Santiam Canyon School District Properties (SW Evergreen St.)

T9S R3E, Section 30DD 6 Parcels Santiam Canyon School District 0.86 acres
3 Parcels City of Mill City 0.10 acres

Proposed Plan Designation on 2015 Comprehensive Plan Map: Public



Summary of Proposal:

The Santiam Canyon School District acquired six small parcels totaling 0.86 acres. The property is located on SW Evergreen Street across from the High School gymnasium (west) and the District Office (south). The School District has used a small house on the site for special district programs. The site was acquired for future school uses, but no specific plans have presented to the City. The City of Mill City also owns three slivers of property totaling 0.10 acres abutting the SW Evergreen Street right-of-way.

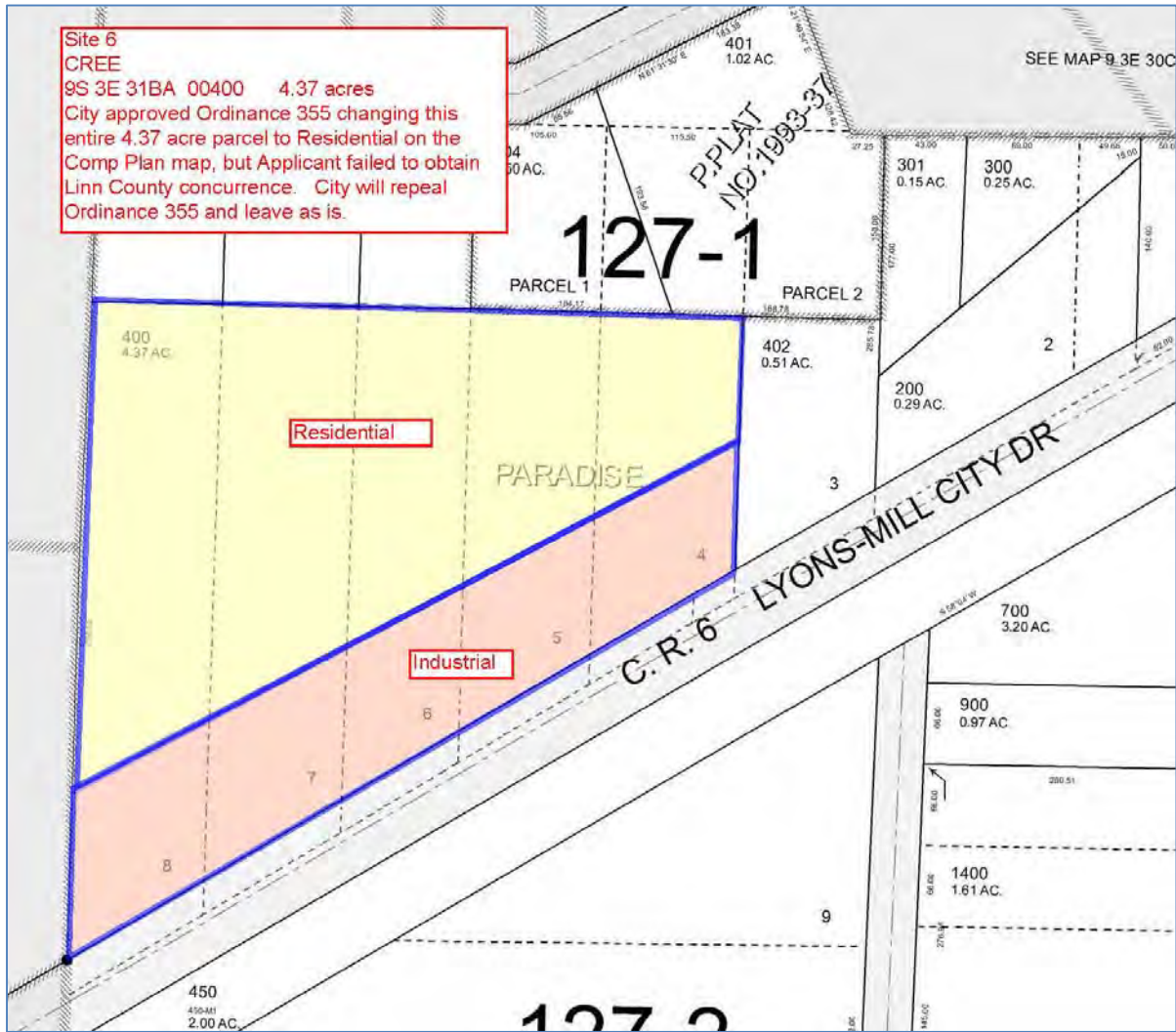
The Santiam Canyon School District has notified the City that it wants these properties redesignated and rezoned for public use. Superintendent Todd Miller notified the City that the District concurs with the redesignation and rezoning. The City will include this change on Map LU-1.

The City concludes this map amendment is a housekeeping measure to redesignate the parcels to Public (P) on the plan map since they are already committed to public use.

Site 6 Cree (Lyons-Mill City Drive)

T9S R3E, Section 31AB 00400 4.37 acres Donald and Carol Cree

Proposed Plan Designation on 2015 Comprehensive Plan Map: Split – Residential & Industrial



Summary of Proposal:

On July 14, 2009 the City of Mill City approved Ordinance 355 to the 4.37 acre parcel on the Mill City Comprehensive Plan map from a split designation (Industrial & Residential) to Residential and to rezone the entire 4.37 acre parcel to Linn County UGA-RR. The City’s decision was subject to the applicant obtaining approval from the Linn County Planning Department.

Linn County Planning Department has confirmed in February 2015 that the applicant failed to obtain Linn County approval for the changes. The City will repeal Ordinance 355.

The City concludes this is a housekeeping measure to verify the Comprehensive Plan map for this site has not been changed.

Table 2
**Mill City Comprehensive Plan Map Amendments
 In Marion County**

| <i>Mill City Comprehensive Plan Map Amendments</i> | | | | | <i>Comprehensive Plan Designation</i> | | <i>UGB Modification</i> | |
|--|-----------------------|-----------------|--|---------------------|---------------------------------------|--------------------------------|-------------------------|-----------|
| # | <i>Assessor's Map</i> | <i>Tax Lot</i> | <i>Acres</i> | <i>Added to UGB</i> | <i>Owner</i> | <i>From</i> | | <i>To</i> |
| Marion County | | | Obtain Marion County concurrence w/ UGB boundary amendments & CP changes | | | | | |
| 7 | 09S03E 29CA | 02900 | 0.86 | .86 | Runyon | MC Timber Conservation (TC) | Residential | Yes |
| 8 | 09S03E 29CB | 00500 | 2.84 | 2.84 | City of Mill City | MC Timber Conservation (TC) | Public | Yes |
| 9 | 09S03E 30DB | 00300 (part) | 0.19 | | Hoover | MC Timber Conservation (TC) | Residential | No |
| Marion County Totals | | | 3.89 | 3.70 | | | | |

Site 7 Runyon – Add 0.86 acres to Mill City UGB⁵

Gina Runyon
 29509 NE Santiam Boulevard, Mill City, Oregon
 T9S R3E, Section 29CA, Tax Lot 02900 0.86 acre parcel

City of Mill City File # 2005-12-27 Ordinance 337 adopted February 28, 2006.

Proposed Plan Designation on 2015 Comprehensive Plan Map: Residential & UGB

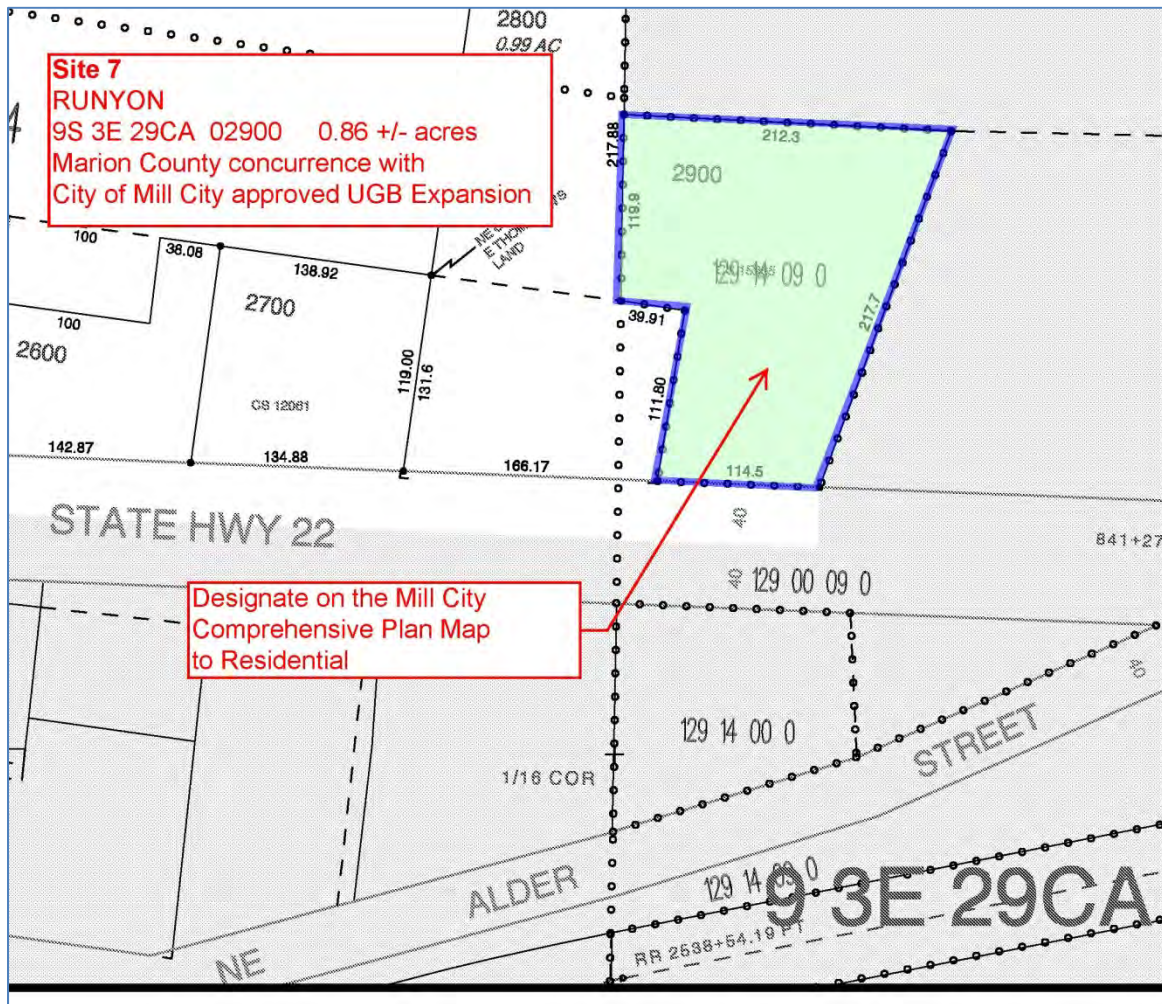
Summary of Prior Land Use Actions:

In 2005, the applicant’s septic system failed. Marion County approved an extraterritorial extension of the sewer line and the home was connected to the City of Mill City sewer system. The extraterritorial sewer extension was granted and the home was connected to the City sewer system. Marion County’s approval of the extraterritorial extension was granted subject to the City proceeding with a land use application to:

- (1) Extend the UGB to add the 0.86 acre parcel to the Mill City UGB,
- (2) Redesignate the property on the Mill City Comprehensive Plan map to Residential
- (3) Rezone the property to Single Family Residential (R-1), and
- (4) Annex the property to the City of Mill City

On February 28, 2006 the City approved Ordinance 337 approving the application as proposed and annexing the property to the City of Mill City. The City adopted findings justifying the UGB amendment, plan redesignation and zone change. The City notified the Oregon Department of Revenue and Marion County of the annexation and on March 6, 2006, the City sent a Notice of Adoption to DLCD.

⁵ *City File 2005-12-27 - Runyon UGB Amendment.* Adds 0.86 acres to the Mill City UGB to include an existing home site at 29509 NE Santiam Boulevard. The City’s land use file addresses all four land use proposals concurrently. The City adopted Ordinance 337 on February 28, 2006 and the property is annexed to the City. The City’s Goal 14 Findings are in the City’s land use file. The purpose of including the parcel in 2015 is to get county concurrence on the Mill City UGB boundary. The City of Mill City findings of fact and conclusions that were approved as part of City of Mill City File 2005-12-27 are adopted by reference as part of these findings.



In 2006 the City did not send a copy of the Notice of Adoption to Marion County for the planning decision and Marion County did not take any action to concur with the UGB expansion and Mill City Comprehensive Plan map amendment.

Marion County Concurrence:

1. Marion County has agreed to concur with the City's UGB amendment and designation of the site as Residential as part of its approval of the 2015 Mill City Comprehensive Plan Update.
2. The City will provide DLCD with an updated Notice of Adoption of the PAPA including copies of the City Ordinance 337, the original city findings and Marion County's 2015 concurrence.

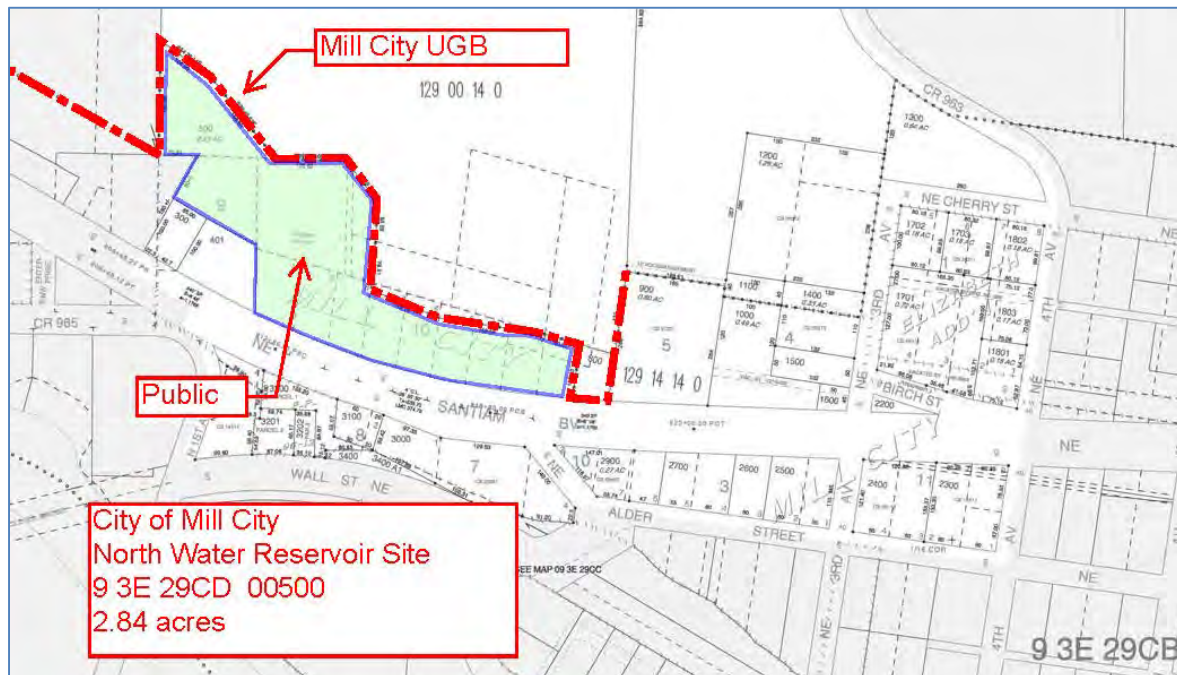
The City concludes this map amendment is a housekeeping measure to ensure the City of Mill City and both counties concur with the UGB Boundary and the Residential plan designation.

Site 8 City of Mill City North Water Storage Reservoir – Add 2.84 acres to Mill City UGB⁶

City of Mill City North Reservoir Site
T9S R3E, Section 29CB, Tax Lot 00500 2.84 acres

City of Mill City File # 2004-03-04 Ordinance 324 adopted January 25, 2005.

Plan Designation: Public
Zoning: Public



Summary of Prior Land Use Actions:

In 2005, the City acquired 3.50+/- acres of land to construct a 1.0 million gallon water storage reservoir north of Hwy 22 in Mill City. A 2.84 portion of the 3.50 acres was located outside the city limits and Mill City UGB.

⁶ *City File 2004-03-04 – City of Mill City North Water Reservoir UGB Amendment.* Adds 2.84 acres to the Mill City UGB to include the City’s 1.0 MG water storage reservoir site. The City notified DLCD 45-days prior to the initial public hearing of the proposed amendment. The City adopted Ordinance 324 on January 25, 2005, but did not submit the adopted ordinance to either DLCD or Marion County. See DLCD File 003-04. The City’s Goal 14 Findings are in the City’s land use file. The City of Mill City findings of fact and conclusions that were approved as part of City of Mill City File 2005-12-27 are adopted by reference as part of these findings. Marion County has not concurred with the UGB amendment. The purpose of including the parcel in 2015 is to get county concurrence on the Mill City UGB boundary and the Public plan designation.

The City initiated a land use action to:

- (1) Extend the UGB to add the 2.84 acre portion of the parcel to the Mill City UGB,
- (2) Redesignate the property on the Mill City Comprehensive Plan map to Public
- (3) Rezone the property to Public (P), and
- (4) Annex the property to the City of Mill City

On January 25, 2005 the City approved Ordinance 324 approving the application and annexing the property to the City of Mill City. The City adopted findings justifying the UGB amendment, plan redesignation and zone change. The City notified the Oregon Department of Revenue and Marion County of the annexation.

The City did not send a Notice of Adoption to DLCD and Marion County for the planning decision and Marion County did not take final action to concur with the UGB modification by the City.

Marion County Concurrence:

1. Marion County has agreed to concur with the City's UGB amendment and designation of the site as Residential as part of its approval of the 2015 Mill City Comprehensive Plan Update.
2. The City will provide DLCD with an updated Notice of Adoption of the PAPA including copies of the City Ordinance 324, the original city findings and Marion County's 2015 concurrence.

The City concludes this map amendment is a housekeeping measure to ensure the City of Mill City and both counties concur with the UGB Boundary and the Public plan designation.

Site 9 Hoover - Correct UGB Line to Correspond with Prior City and County Decisions⁷

City of Mill City – NW Edge of UGB Amendments
T9S R3E, Section 30DB, 00300 (part) 0.19 acres

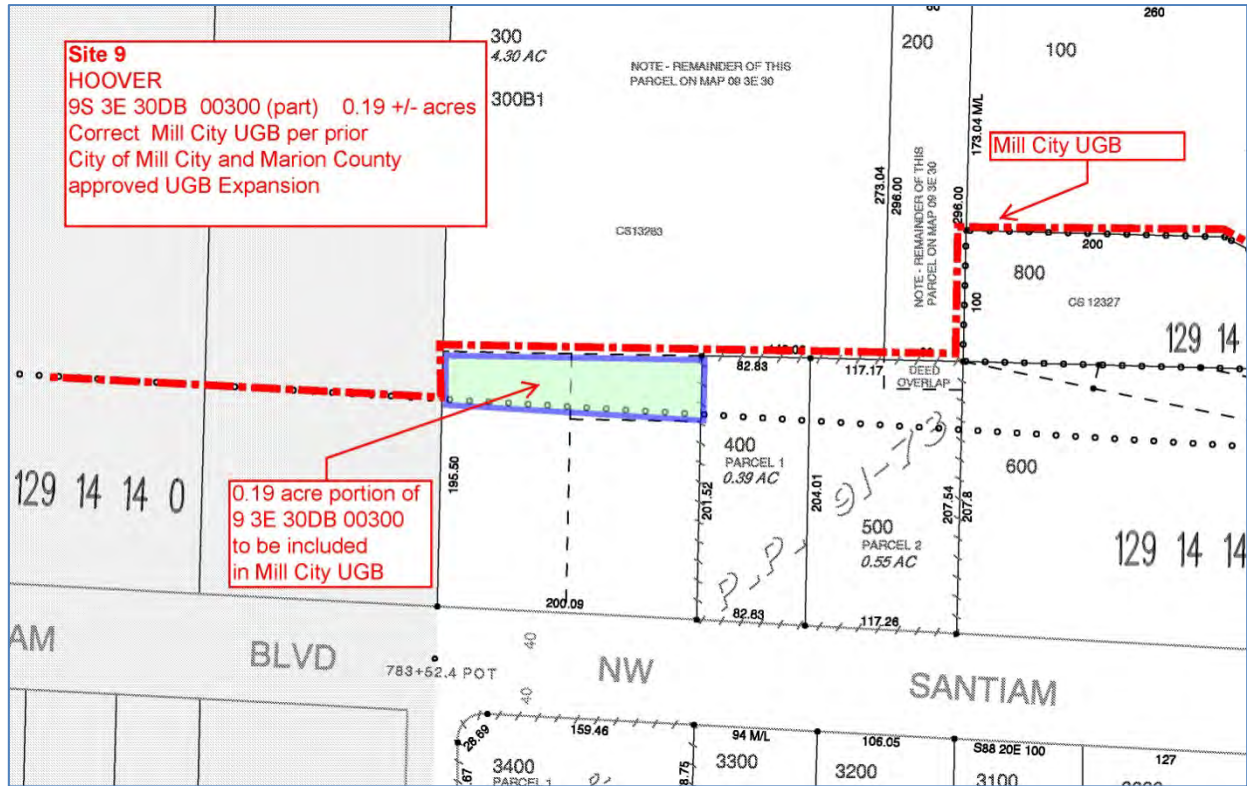
City of Mill City File # 2000-04-04 Mill City Ordinance 281 adopted December 7, 2000
Marion County Ordinance 1136 adopted. November 21, 2000

Summary of Prior Land Use Actions:

In 2000, the City of Mill City identified several discrepancies in the Mill City UGB at the northwest edge of the Mill City UGB. Planning Consultant Marvin Gloege worked with the Marion County Planning Department to identify the discrepancies and then draft ordinances to correct the errors. The City of Mill City and Marion County both adopted ordinances.

In January 2015, the City staff noted that Marion County's on-line map of the Mill City UGB does not include a 0.19 acre portion of one parcel, Marion County Assessor's Map 9S 3E 30DB, Tax Lot 00300.

⁷ City File 2000-04-04 – NW UGB Amendment. City Ordinance 281, adopted 12/07/2000 and Marion County Ordinance 1136, adopted 11/21/2000. The updated map rectifies a mapping error on the Marion County map of the Mill City UGB to include all areas noted in the approved ordinances. The adopted UGB ordinances were received by DLCD on 12-18-2000, See DLCD Mill City PAPA File #002-00.



The City concludes this map amendment is a housekeeping measure. The 2015 Comprehensive Plan Map update will concur with the City of Mill City and Marion County’s 2000 decision related to the UGB in the NW section of Mill City north of Hwy 22.

SUMMARY OF COMPREHENSIVE PLAN MAP AMENDMENTS:

Table 3 summarizes all of the Comprehensive Plan map amendments listed above. It shows 4.02 acres have been added to the Mill City UGB since 1992.

Table 3
Mill City Comprehensive Plan Amendments Summary

| Site # | Owner | Residential | Commercial | Public | Total | Acreage Added to UGB |
|--------|---------------------------|-------------|-------------|-------------|-------------|----------------------|
| 1 | City of Mill City | | | 1.84 | 1.84 | |
| 2 | Mill City Volunteer RFPD. | | | 0.50 | 0.50 | |
| 3 | Ward | 0.32 | | | 0.32 | 0.32 |
| 4 | City of Mill City | | | 0.59 | 0.59 | |
| 5 | Santiam Canyon SD & City | | | 0.96 | 0.96 | |
| 6 | Cree | | | | No change | |
| 7 | Runyon | 0.86 | | | 0.86 | 0.86 |
| 8 | City of Mill City | | | 2.84 | 2.84 | 2.84 |
| 9 | Hoover | | 0.19 | | 0.19 | 0.19 |
| | Totals | 1.18 | 0.19 | 6.73 | 8.10 | 4.21 |

ZONING MAP AMENDMENTS:

The Mill City Zoning Map is amended as part of the 2015 Mill City Comprehensive Plan Update – Part 1 to reflect the following changes.

Table 2
Mill City Zoning Map Amendments

| <i>Mill City Zoning Map Amendments</i> | | | | | <i>Zoning Map Change</i> | |
|--|-----------------------|---|--|--|---------------------------------|-------------|
| # | <i>Assessor's Map</i> | <i>Tax Lot</i> | <i>Acres</i> | <i>Owner</i> | <i>From</i> | <i>To</i> |
| Linn County | | | | | | |
| 4 | 09S03E 30DC | 02700 | 0.22 | City of Mill City | Single Family Residential (R-1) | Public |
| 5 | 09S03E 30DD | 07350 07700 07701 07799 07800 07801 07900 07901 08000 | 0.32 0.09 0.03 0.01 0.11 0.02 0.27 0.05 0.06 | Santiam Canyon School District (0.86 acres) and the City of Mill City (0.10 acres) | Central Commercial (CC) | Public |
| Linn County Totals | | | 1.18 | | | |
| Marion County | | | | | | |
| 7 | 09S03E 29CA | 02900 | 0.86 | Runyon | MC Timber Conservation (TC) | Residential |
| 8 | 09S03E 29CB | 00500 | 2.84 | City of Mill City | MC Timber Conservation (TC) | Public |
| Marion County Totals | | | 3.70 | | | |
| Totals | | | 4.88 | | | |

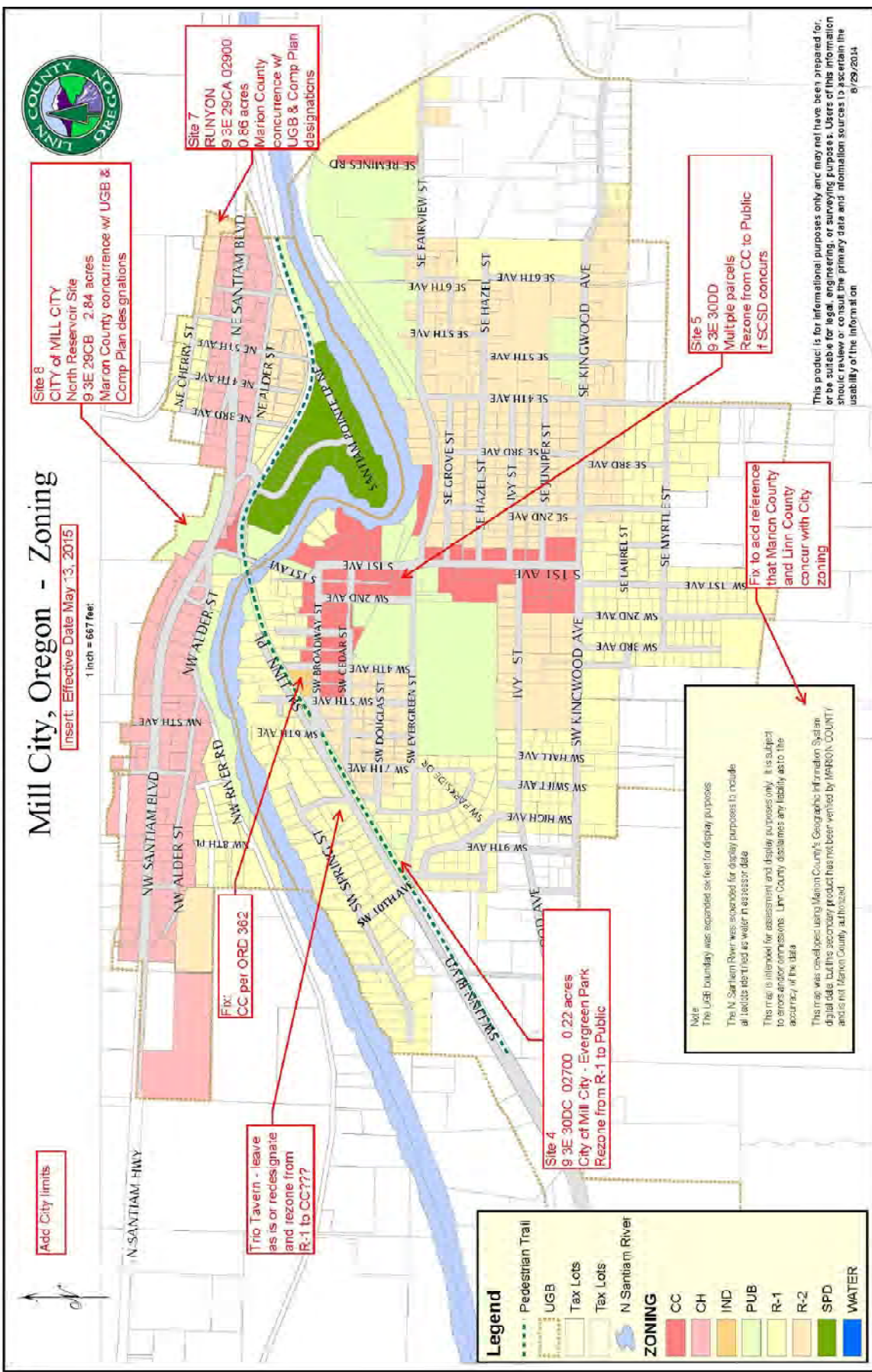
Findings and supporting documents for each of these zone changes are included in the City of Mill City land use files referenced early in these findings for each of the sites.



Mill City, Oregon - Zoning

insert: Effective Date May 13, 2015
1 inch = 667 feet

Add City limits



Site 7
R1UNYON
9 3E 28CA 02900
0.88 acres
Marion County
concurrency w/
UGB & Comp Plan
designations

Site 8
CITY of MILL CITY
North Reservoir Site
9 3E 28CB 2.84 acres
Marion County concurrency w/ UGB &
Comp Plan designations

Site 5
9 3E 30DD
Multiple parcels
Rezoned from CC to Public
if SCSD concurs

Fix to add reference
that Marion County
and Linn County
concur with City
zoning

Fix:
CC per ORD 362

Trio Tavern - leave
as is or redesignate
and rezone from
R-1 to CC???

Site 4
9 3E 30DC 02700 0.22 acres
City of Mill City - Evergreen Park
Rezone from R-1 to Public

Note:
The UGB boundary was separated six feet for display purposes.
The N. Santiam River was shown for display purposes to include
all lands that are within its watershed.
This map is intended for assessment and display purposes only. It is subject
to errors and/or omissions. Linn County disclaims any liability with
accuracy of this data.
This map was developed using Marion County's Geographic Information System
digital data but the secondary product has not been verified by MARION COUNTY
and/or Linn County authorized.

Legend

- Pedestrian Trail
- UGB
- Tax Lots
- Tax Lots
- N Santiam River

ZONING

- CC
- CH
- IND
- PUB
- R-1
- R-2
- SPD
- WATER

This product is for informational purposes only and may not have been prepared for, or be suitable for, legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information.
6/29/2014

GOAL 3: AGRICULTURAL LANDS: TO PRESERVE AND MAINTAIN AGRICULTURAL LANDS.

Chapter 4 “Land Use” includes an inventory of existing land uses. According to the Linn County GIS Department, as of September 2014 there were 25.6 acres of land inside the Mill City UGB in agricultural and forest use. Section 5.4 in Chapter 5 “Natural Resources” identifies existing Class I to VI lands and the agricultural suitability of soils inside the Mill City UGB. The City of Mill City, Linn County and Marion County do not have any agricultural zoning districts inside the Mill City UGB. Goal 3 does not apply within adopted, acknowledged urban growth boundaries.

GOAL 4: FOREST LANDS: TO CONSERVE FOREST LANDS BY MAINTAINING THE FOREST LAND BASE AND TO PROTECT THE STATE’S FOREST ECONOMY BY MAKING POSSIBLE ECONOMICALLY EFFICIENT FOREST PRACTICES THAT ASSURE THE CONTINUOUS GROWING AND HARVESTING OF FOREST TREES SPECIES AS THE LEADING USE ON FORESTLAND CONSISTENT WITH SOUND MANAGEMENT OF SOIL, AIR, WATER, AND FISH AND WILDLIFE RESOURCES AND TO PROVIDE FOR RECREATIONAL OPPORTUNITIES AND AGRICULTURE.

As noted above, there were 25.6 acres of land inside the Mill City UGB in agricultural and forest use in September 2014. Section 5.11 in Chapter 5 “Natural Resources” inventories Forest Lands inside the Mill City UGB. The City of Mill City, Linn County and Marion County do not have any forest land zones inside the Mill City UGB. Goal 4 does not apply within adopted, acknowledged urban growth boundaries.

GOAL 5: OPEN SPACES, SCENIC AND HISTORIC AREAS, AND NATURAL RESOURCES: TO PROTECT NATURAL RESOURCES AND CONSERVE SCENIC AND HISTORIC AREAS AND OPEN SPACES.

The 2015 Mill City Comprehensive Plan Update – Part 1 does include any new inventories or protection measures for Goal 5 resources. The City has previously completed Goal 5 inventories and adopted appropriate protection measures for historic landmarks and significant local wetlands.

Table LU-13 in Chapter 5 “Land Use” includes a list of previously adopted post-acknowledgment plan amendments including special ordinances, land use implementation measures and plans to protect natural resources, manage flood hazards, inventory and preserve historic resources. It shows the historic and cultural resources inventory and a historic preservation ordinance were adopted as part of the City’s periodic review in 1990. In 2011, the City participated in a multi-jurisdictional wetlands project (MCWRAP) led by the Lane Council of Governments. SWCA, the project’s wetlands consultant, completed a local wetlands inventory and assessment of locally significant wetlands in compliance with Goal 5 requirements. SWCA prepared and the City of Mill City adopted the City of Mill City Local Wetland Inventory Report and accompanying wetlands protection measures that are included in Chapter 17.72 of the Mill City Zoning Code. The plan update summarizes information for the wetlands report, lists the locally significant wetlands and includes policies requiring compliance with the approved local wetlands inventory report.

Chapter 5 “Natural Resources” updates basic information on several other Goal 5 resources by using inventory information generated by a variety of natural resource agencies, Linn County and Marion County including:

- (1) Riparian corridors. References the DeFord Creek Restoration and Assessment Design Concepts Plan (2010) prepared for the North Santiam Watershed Council. The report includes a riparian corridor study and watershed restoration plan for the reaches of DeFord Creek and Snake Creek that are located inside the Mill City UGB.

- (2) Wetlands. Summarizes the 2011 *City of Mill City Local Wetlands Inventory* (2011) and includes a list and map of significant local wetlands. Updates four Natural Resource Policies on wetlands.
- (3) Groundwater. Updates groundwater information in Mill City. Specific information is added about the City of Mill City’s municipal wells which were developed in 2003. The City stopped using the North Santiam River as its drinking water source and drilled two new municipal wells.

The City did not complete any other Goal 5 inventories in preparing the *2015 Mill City Comprehensive Plan Update – Part 1*. Chapter 5 “Natural Resources” include updated policies, the City adds NR Policy 7 to identify funding and partner agencies to complete a Goal 5 inventory and adopt protection measures for riparian areas along the North Santiam River and its tributaries.

The *2015 Mill City Comprehensive Plan Update – Part 1* is consistent with Goal 5 and the post acknowledgment plan amendment (PAPA) is consistent with *OAR 660-023-0250 (3)*. The City finds it is not required to comply with the Goal 5 inventory process, significance determination and preparation of new Goal 5 protection measures because the plan update does not:

- (1) amend a Goal 5 resource list, update the plan in order to protect a Goal 5 resource or address specific requirements of Goal 5; or
- (2) allow new uses that conflict with a significant Goal 5 resource site or resource list; and
- (3) there is no new information showing a significant Goal 5 resource site in included in the UGB.

The City concludes the plan update complies with Goal 5.

GOAL 6: AIR, WATER AND LAND RESOURCES QUALITY: TO MAINTAIN AND IMPROVE THE QUALITY OF THE AIR, WATER, AND LAND RESOURCES OF THE STATE.

The *2015 Mill City Comprehensive Plan Update – Part 1* complies with Goal 6 planning requirements for air, water and land resources. Chapter 5 updates basic background information and planning maps related to air, water and land resources in the following sections:

- 5.2 Air Quality
- 5.3 Geology
- 5.4 Soils
- 5.6 Water including groundwater and surface water
- 5.7 Wetlands
- 5.9 Fish and Wildlife
- 5.10 Water Quality and Watershed Protection, Restoration and Enhancement
- 5.11 Forest Lands
- 5.12 Aggregate Resources

The update draws heavily on existing data available from the Oregon Department of Environmental Quality for air quality, the North Santiam River watershed and the Willamette Basin TMDL Plan. Additional background information was obtained from the US Geological Survey Natural Resource Conservation Service (NRCS), the U. S. Federal Emergency Management Agency, the Oregon Department of Geology and Mineral Resources (DOGAMI), the Oregon Department of Forestry, the Oregon Department of Water Resources, the Oregon State University Institute for Natural Resources, the North Santiam Watershed Council, Linn County, Marion County. The City concludes the plan update complies with Goal 6.

GOAL 7 - AREAS SUBJECT TO NATURAL DISASTERS AND HAZARDS: TO PROTECT LIFE AND PROPERTY FROM NATURAL DISASTERS AND HAZARDS.

The 2015 Mill City Comprehensive Plan Update – Part 1 complies Goal 7 planning requirements for natural hazards. Chapter 5, Section 5.5 updates basic information on natural and geologic hazards in the community, evaluates potential risk and identifies hazard protection measures already adopted by the City of Mill City, Linn County and Marion County. Chapter 5 also includes updated natural hazard policies.

Within the Mill City Planning Area natural and geologic hazards are present. Potential hazards include dam failure, drought, earthquake, flooding, landslide, volcanic action, wildfire, windstorms and winter storms.

The Linn County Natural Hazard Mitigation Plan, the county-wide natural hazards assessment and mitigation plan, was updated in 2010. The Marion County Multi-Jurisdictional Natural Hazards Mitigation Plan was updated in 2011. Both county plans include the three phases of hazard assessment: 1) hazard identification; 2) vulnerability assessment and 3) risk analysis. Each plan recommends hazard mitigation strategies the County and communities can take to reduce the impacts on private property, public infrastructure, critical facilities and the public if a natural hazard event occurs.

Chapter 5, Section 5.5 provides a brief narrative and maps of existing and potential natural hazards in the City and surrounding planning area in the North Santiam Canyon. The narrative is based on data gleaned from the two county-wide hazard mitigation plans. Mapping was prepared by the Linn County GIS Department based on data obtained from DOGAMI and FEMA. The City concludes the plan update complies with Goal 7.

GOAL 8 - RECREATIONAL NEEDS: TO SATISFY THE RECREATIONAL NEEDS OF THE CITIZENS OF THE STATE AND VISITORS AND, WHERE APPROPRIATE, TO PROVIDE FOR THE SITING OF NECESSARY RECREATIONAL FACILITIES INCLUDING DESTINATION RESORTS.

The 2015 Mill City Comprehensive Plan Update – Part 1 does not address Goal 8 issues, except as part of the Buildable Lands Inventory in Chapter 4 Land Use. The City finds it has adequate land available to provide for planned public facilities, parks and open space.

In 2014, the City adopted the Mill City Parks Master Plan to address parks and recreation needs of the community. The plan document inventories the existing the City of Mill City parks facilities and nearby county, regional and federal recreational sites in the North Santiam Canyon. It is consistent with the adopted county parks and recreation plans for Linn County and Marion County. The plan includes data from a community survey on parks and recreation needs in Mill City and summarizes survey data in the Oregon Statewide Comprehensive Outdoor Recreation Plan (SCORP). The Mill City Parks Master Plan recommends for park improvements and future park facilities to serve Mill City over the 20-year planning period through 2035. Chapter 4 “Land Use” includes updated public facility policies for parks and recreation that are recommended in the Mill City Parks Master Plan document.

The Public Facilities chapter of the Comprehensive Plan will be updated later in 2015. It will include excerpts from the Mill City Parks Master Plan and will move the parks and recreation policies from Chapter 4 to the updated Public Facilities chapter. The City concludes the plan update complies with Goal 8.⁸

⁸ The City of Mill City will submit the Mill City Park Master Plan (2014) and the City of Mill City Water Master Plan (2003) when the City completes Part 2 of the Mill City Comprehensive Plan update in late 2015.

GOAL 9 - ECONOMIC DEVELOPMENT: TO PROVIDE ADEQUATE OPPORTUNITIES THROUGHOUT THE STATE FOR A VARIETY OF ECONOMIC ACTIVITIES VITAL TO THE HEALTH, WELFARE AND PROSPERITY OF OREGON'S CITIZENS.

Chapter 6 “Economy” and the Mill City Buildable Lands Analysis were updated to address Goal 9 planning requirements. The buildable lands analysis update utilizes data from the September 2014 Linn County and Marion County property assessment records. Linn County’s GIS staff updated maps and tables identifying all developed, vacant, infill and redevelopable sites inside the Mill City UGB. The City staff analyzed parcels to identify Brownfields, constrained areas and public facility issues on vacant, redevelopable and infill lots.

OAR 660-009-0015 Economic Opportunity Analysis

Chapter 6 includes an economic opportunity analysis that complies with OAR 660-0015. The analysis was prepared by the City as part of the plan update. It includes (1) a review of local, regional, state and national trends that impact the local economy, (2) an estimate of anticipated employment growth by job sector, (3) an estimate of employment land needs, (4) an inventory and maps of available industrial and commercial sites available in the Mill City UGB area and (5) an assessment of community economic potential.

The adopting ordinance with the 2015 Mill City Comprehensive Plan Update – Part 1 adopts the Mill City Buildable Lands Analysis Update by reference. The buildable lands analysis update includes a detailed analysis of the commercial and industrial sites readily available for development. It identifies industrial and commercial sites that are available and can be serviced by public facilities. The site analysis removes areas with development constraints including steep slope, wetlands, BPA power line easements and floodway hazards that limit the available buildable acreage on each site.

The City coordinated the preparation of Chapter 6 with DLCD staff, the Oregon Employment Department and Marion County officials. The City utilized data from a variety of sources including the 2010 Census, 2014 employment data from the State of Oregon and a 2014 Economic Opportunity Study update for the North Santiam Canyon prepared by the Mid-Willamette Valley Council of Governments for Marion County. The combined documents of Chapter 6 “Economy” of the 2015 Mill City Comprehensive Plan Update coupled with the 2015 update of the Mill City Buildable Lands Analysis and the MWVCOG Economic Opportunity Study update for the North Santiam Canyon comply with the economic opportunity analysis requirements of OAR 660-009-0015.

OAR 660-009-0020 Employment and Industrial Development Policies

The plan includes updated economic development policies for the City of Mill City that are consistent with the City’s assessment of local economic development potential and are consistent with existing economic development plans and policies for rural communities within the North Santiam Canyon. The proposed policies in Chapter 6 recognize the economic constraints caused by the decline of the timber industry in the North Santiam Canyon during the past thirty years, the proximity and accessibility of Mill City to the mid-Willamette Valley via Hwy 22 and the potential opportunities for development of expanded recreation/hospitality based businesses and industries in the North Santiam Canyon.

OAR 660-009-0025 Designation of Employment Lands

Section 6.6 of Chapter 6 includes a summary of buildable and available employment lands in compliance with OAR 660-009-0025. Employment lands in Mill City are in three zones: Industrial (I), Central Commercial (CC) and Highway Commercial (CH). The Mill City Buildable Lands Analysis Update

estimates employment land needs for commercial and industrial uses. The City concludes there is a need for 5.43 acres of buildable commercial land and 27.50 acres of buildable industrial land by the year 2034. The employment lands analysis finds there are approximately 22.64 acres (commercial) and 51.50 acres (industrial) of available buildable land inside the Mill City UGB. The City concludes there is an adequate supply of net buildable land to meet the estimated 20-year need for employment lands.

Most of Mill City's buildable and available industrial lands are located outside the city limits and inside the Mill City UGB at the west end of the community along Lyons-Mill City Drive. Vacant, buildable industrial lands are in parcel sizes ranging from less than 1 acre to more than 20 acres in size. The most significant constraint to immediate development is the lack of city water and sewer utilities to these sites. City facility plans show public facilities can be easily extended to serve the industrial area. The economic development policies recommend the City pursue funding to provide public facilities to industrial sites.

Mill City's commercial lands are located along Hwy 22 and in the older Central Commercial district near W. Broadway Avenue and S. First Avenue. The Hwy 22 commercial area has the largest vacant and redevelopable sites currently served by city water and sewer facilities. The downtown commercial sites are generally in small infill or redevelopable parcels where existing structures may need to be demolished.

Overall there are 22.64 acres of buildable lands for future commercial development and 51.50 acres for future industrial development, an adequate supply to serve projected demand for employment land.

The City finds the plan update complies with Goal 9 economic development planning requirements.

GOAL 10 - HOUSING: TO PROVIDE FOR THE HOUSING NEEDS OF CITIZENS OF THE STATE.

The proposed 2015 Mill City Comprehensive Plan Update does not significantly affects lands that may be available for residential development in the City of Mill City. The Mill City Buildable Lands Analysis Update shows the City has an adequate supply of buildable residential land for single family dwellings, manufactured homes and multi-family housing to serve the needs of the community through the end of the 20-year planning period in 2035.

Chapter 3 "Demographics" provides demographic information on the current population and updates the 20-year population forecast. Chapter 4 "Land Use" provides inventory data on existing land uses in September 2014 and provides a summary of available, buildable residential land.

The land use policies at the end of Chapter 4 have been modified to (1) encourage the placement of multi-family housing near arterial/collector streets where larger size water mains and roads with more traffic capacity are available, (2) encourage redevelopment and infill and (3) allow for the clustering of housing on parcels in order to avoid / protect wetlands and riparian area.

The City concludes the 2015 Mill City Comprehensive Plan Update – Part 1 complies with Goal 10. The Housing chapter of the Comprehensive Plan will be updated later in 2015.

GOAL 11 - PUBLIC FACILITIES AND SERVICES: TO PLAN AND DEVELOP A TIMELY, ORDERLY AND EFFICIENT ARRANGEMENT OF PUBLIC FACILITIES AND SERVICES TO SERVE AS A FRAMEWORK FOR URBAN AND RURAL DEVELOPMENT.

The proposed 2015 Mill City Comprehensive Plan Update – Part 1 does not address Goal 11 issues, except as part of the Buildable Lands Inventory. The City finds it has adequate land available to provide for

planned public facilities, parks and open space. The Public Facilities chapter of the Comprehensive Plan will be updated later in 2015.

GOAL 12 – TRANSPORTATION: TO PROVIDE AND ENCOURAGE A SAFE, CONVENIENT AND ECONOMIC TRANSPORTATION SYSTEM.

The proposed 2015 Mill City Comprehensive Plan Update – Part 1 do not address Goal 12 issues, except as part of the Buildable Lands Inventory. The City finds it has adequate land available to provide for planned streets, roads and transportation facilities. The Transportation chapter of the Comprehensive Plan will be updated later in 2015.

GOAL 13 - ENERGY CONSERVATION: TO CONSERVE ENERGY.

The proposed 2015 Mill City Comprehensive Plan Update – Part 1 does not address Goal 13 issues. Energy conservation issues will be updated later in 2015.

GOAL 14: URBANIZATION: TO PROVIDE FOR AN ORDERLY AND EFFICIENT TRANSITION FROM RURAL TO URBAN USE.

Map LU-1, the Mill City Comprehensive Plan map, is included on page 16 in Chapter 4 “Land Use” of the 2015 Mill City Comprehensive Plan Update – Part 1.

The map includes all post acknowledgment plan amendments to the map that have been adopted by the City of Mill City, Linn County and Marion County since the Mill City Comprehensive Plan periodic review was completed and acknowledged in September 1990.

Table 2 on page 7 lists all of the Comprehensive Plan map amendments that are adopted as part of this plan update. Table 5 summarizes the UGB Amendments that are shown on the Mill City Comprehensive Plan map. It shows 4.21 acres have been added to the Mill City UGB..

Table 5
**Mill City Comprehensive Plan
UGB Amendments Summary**

| <i>Site #</i> | <i>Owner</i> | <i>Residential</i> | <i>Commercial</i> | <i>Public</i> | <i>Acreage Added to UGB</i> |
|---------------|-------------------|--------------------|-------------------|---------------|-----------------------------|
| 3 | Ward | 0.32 | | | 0.32 |
| 7 | Runyon | 0.86 | | | 0.86 |
| 8 | City of Mill City | | | 2.84 | 2.84 |
| 9 | Hoover | | 0.19 | | 0.19 |
| | Totals | 1.18 | 0.19 | 2.84 | 4.21 |

As noted in the Goal 2 findings above, the City discovered several discrepancies between the approved Mill City UGB and Comprehensive Plan maps adopted by the City of Mill City, Linn County and Marion County. This plan update corrects all of the errors, omissions and discrepancies. The City of Mill City, Linn County and Marion County agree with the Mill City UGB and comprehensive plan designations as

shown on Map LU-1, the Mill City Comprehensive Plan Map, that is included on page 16 of Chapter 4 “Land Use” in the 2015 Mill City Comprehensive Plan Update – Part 1.

Findings addressing Goal 14 requirements are included in the individual staff report and findings documents approved by the City for each file. These findings are adopted and incorporated by reference as if they were set forth herein.

OAR 660-024 Amendment to an Urban Growth Boundary

Amendments to an Urban Growth Boundary must comply with Oregon Administrative Rules in Chapter 660-024.

660-024-0020 Population Forecast

Chapter 3 of the 2015 Mill City Comprehensive Plan Update includes an updated population forecast complying with state requirements. The updated population forecast for the City of Mill City utilizes safe harbor provisions and has been coordinated with Marion County and Linn County. See Goal 2 Findings above. The City concludes the proposal complies with OAR 660-024-0020.

660-024-0040 and 660-024-0050 Land Need and Land Inventory

Chapter 4 of the 2015 Mill City Comprehensive Plan Update includes an updated Buildable Lands Analysis for the City of Mill City. The City worked with Linn County GIS to update the inventory with 2014 parcel data from the assessors’ offices in Linn County and Marion County. The buildable lands analysis identifies all developed and constrained land in the Mill City UGB and then totals the amount of net buildable land in the UGB.

The City utilized the updated population forecast and a 2014 economic opportunity analysis to estimate land needs for the 20-year planning period for future housing and employment lands. The buildable lands analysis concludes the City has an adequate supply of net buildable residential, commercial, industrial and public lands to meet the projected needs of the community to the year 2035. See Goal 2 and Goal 9 Findings above. The City concludes the proposal complies with OAR 660-024-0040.

660-024-0070 UGB Adjustments

OAR 660-024-0070 and ORS 197.296 197.298 establish requirements for the review and analysis of UGB adjustments. They require an analysis of land need and establishment of priorities when considering the addition of land to a UGB.

Map LU-1, the Mill City Comprehensive Plan map and Table 5 above show the City has made several minor adjustments to the Mill City UGB since 1992. A detailed discussion of each of the Comprehensive Plan Map and UGB amendments are included the Goal 2 findings beginning on page 5 above.

The UGB and Comprehensive Plan map amendments have added 4.21 acres to the City of Mill City UGB in the following plan designations:

1. Residential 1.18 acres on two parcels.
2. Commercial 0.19 acres on one parcel.
3. Industrial None
4. Public 2.84 acres on one parcel.

One of the purposes of the 2015 Mill City Comprehensive Plan Update is to ensure the Mill City UGB boundary has been adopted by the City of Mill City, Linn County and Marion County.

Residential Land Additions:

The two UGB adjustments that added residential land were approved to address split jurisdiction issue and a public facility (sewer) deficiency. Each created a hardship for the property owner that was rectified by the UGB amendment.

- Ward Site 3 (Page 9 above) 9S 3E 30CD 00103 0.32+/- acres

The existing home straddled the UGB boundary. The land is fully committed to an urban residential use. In order to include the entire home inside the Mill City UGB, Linn County approved a UGB amendment in 2008 to add 0.32+/- acres and approved a lot line adjustment in 2014 to consolidate the 0.62 acre home site on one parcel. The site is included as a developed residential parcel in the 2015 update of the Mill City Buildable Lands Analysis. No additional building lot was created and no net buildable land was added to the UGB. The City's adoption of the updated plan map concurs with the County action.

- Runyon Site 7 (See Page 14 above) 9S 3E 29CA 02900 0.86 acres

The septic system for the existing home failed in 2005. The Marion County Environmental Health Department could not approve an on-site sewer system repair permit because the house was located within 300' of a city sewer line. LCDC administrative rules on Goal 11 - Public Facilities [OAR 660.015.000 (11)] and DEQ rules [OAR 371.071.160 (4)(F)] require connection to an available public sewer system when the public system is a practicable and accessible alternative and is legally available to serve the property.⁹ The City of Mill City Comprehensive Plan Land Use Policy #19 states the City cannot extend sewer service outside the city limits. Marion County granted an extra-territorial extension of the sewer line contingent upon the City of Mill City completing a land use action to expand the Mill City UGB, a Comprehensive Plan Map and Zone Change to Residential (R-2) zone, and annexation of the property to the City of Mill City. The City completed its land use action in 2006, but did not notify Marion County of the decision and the County did not concur with the City's actions. The site is included as a developed residential parcel in the 2015 update of the Mill City Buildable Lands Analysis. No net buildable land was added because the existing parcel includes the home site, plus unbuildable steep slope area. City and Marion County's adoption of the updated plan map concurs with the prior City action.

Commercial Land Addition:

The 0.19 acre UGB amendment for the Hoover property is a map correction. In 2000, the City of Mill City and Marion County approved a UGB map amendment for the NW sector the Mill City UGB. The City and County discovered that the current Marion County UGB map does not show the UGB line consistent with the 2000 UGB amendment.

- Hoover Site 9 (Page 17 above) 9S 3E 30CD 00300 (part) 0.19+/- acres

⁹ OAR 660.015.000(11) states that "Local governments shall not allow the establishment or extension of sewer systems outside urban growth boundaries or unincorporated community boundaries, or allow extensions of sewer lines from within urban growth boundaries or unincorporated community boundaries to serve land outside those boundaries, except where the new or extended system is the only practicable alternative to mitigate a public health hazard and will not adversely affect farm or forest land"

A sliver of the property along the north edge of the UGB will be shown correctly as being inside the Mill City UGB. The 0.19 acre site is vacant and is included in the 2015 Update of the *Mill City Buildable Lands Analysis* as buildable commercial land. Since this is a map correction, the parcel was already included in the City's prior buildable lands inventory. No net buildable land is added. The City and Marion County's adoption of the updated plan map concurs with the prior City and Marion County decisions.

Public Land Addition:

The 2.84 acre UGB amendment adds the City of Mill City North Water Storage Reservoir site to the Mill City UGB. In 1999 the City completed the Mill City Water System Master Plan. The plan recommended the City acquire land and construct a new water storage reservoir on the north side of the City. The City acquired the land and obtained financing to construct the storage reservoir. In 2004, the City approved an Ordinance annexing the property to the City, amending the Comprehensive Plan and Zoning Ordinance to designate and zone the property for public use and modified the Mill City UGB. Notice of the City's adoption of the ordinance was not provided to DLCDC and Marion County. The inclusion of the site on the 2015 Comprehensive Plan map corrects the differences in the Marion County and City of Mill City UGB boundary and plan designations.

- City of Mill City Site 8 (Page 16 above) 9S 3E 29CD 00500 2.84 acres

The 2.84 acre site is located on a steep slope area on the north side of Hwy 22. The site includes a 1.0 MG water storage reservoir, a high level booster pump station and access road to the reservoir site. The site is fully committed to the public use and is included in the inventory of developed public land in the 2015 Update of the *City of Mill City Buildable Lands Analysis*. City and Marion County's adoption of the updated plan map concurs with the prior City action.

The City concludes the UGB amendments are consistent with OAR 660-024-0070 and ORS 197.296 and 197.298 because the amendments are minor adjustments to the UGB and do not add any net buildable land to the Mill City UGB.

Exhibit “B”

City of Mill City Comprehensive Plan 2015 Update – Part 1

The City of Mill City Comprehensive Plan 2015 Update–Part 1 dated April 2015 amends the existing Mill City Comprehensive Plan and replaces conflicting chapters and sections.

The 2015 update includes the following chapters:

- Chapter 1 – Introduction
- Chapter 2 – Citizen Involvement
- Chapter 3 - Population and Demographics
- Chapter 4 – Land Use
- Chapter 5 – Natural Resources
- Chpater 6 – Economy

The City of Mill City Comprehensive Plan 2015 Update–Part 1 is attached.

Exhibit “C”

Mill City Buildable Lands Analysis – 2015 Update

The Mill City Buildable Lands Analysis dated February 2015, attached hereto, is adopted as a technical amendment to the Mill City Comprehensive Plan.

CITY OF MILL CITY

COMPREHENSIVE PLAN

2015 UPDATE

Part 1

July 2015

CITY OF MILL CITY
COMPREHENSIVE PLAN
2015 Update
(Part 1)

Adopted by the City of Mill City

Ordinance No. 380
July 28, 2015

Acknowledged by the State of Oregon
Land Conservation and Development Commission and
Department of Land Conservation and Development

| | |
|--|-------------------|
| Mill City Comprehensive Plan Acknowledgment Date | February 4, 1982 |
| Periodic Review Acknowledgment Date: | September 4, 1990 |
| Mill City Plan 2015 Update Adoption Date: | July 28, 2015 |

Compiled and Printed - July 2015

CITY OF MILL CITY, OREGON

Incorporated 1949

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- Chapter 2. Citizen Involvement
- Chapter 3. Demographics and Population Forecasts
- Chapter 4. Land Use w/ Buildable Lands
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PHASE 2 – DRAFT to be Completed by June 2016

- Chapter 7 Historic and Cultural Resources
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Chapter 1

INTRODUCTION

The Mill City Comprehensive Plan provides a framework for orderly growth and development in the City of Mill City. The Plan describes a long term vision for the community. The goals and policies in the Plan and the implementation measures adopted by the City provide the regulatory structure that is to be used to achieve that vision.

The Mill City Comprehensive Plan was originally adopted in 1980 after a three year community planning process which actively engaged the citizens of Mill City. Representatives from the Linn County Planning Department, the Department of Land Conservation and Development (DLCD) and various state and federal agencies assisted with the development of the plan. The Mill City Comprehensive Plan and implementation ordinances were adopted by the Mill City City Council in 1980 and acknowledged by Land Conservation and Development Commission (LCDC) on February 4, 1982. The first periodic review and major plan update was completed in June 1990 and a periodic review acknowledgment order was issued by LCDC on September 4, 1990. The 2015 plan update is the first significant revision to the plan since 1990.¹

1.1 Oregon's Land Use Planning System

In 1973, the Oregon Legislature adopted Senate Bill 100 (Oregon Revised Statute (O.R.S.) Chapter 197). Under the provisions of O.R.S. 197, all cities and counties within the State of Oregon are required to develop and adopt comprehensive plans in compliance with statewide planning goals.

The Land Conservation and Development Commission (L.C.D.C.) was established to develop the statewide planning goals, to administer funds for the development of Comprehensive Plans and to review all plans for compliance with the statewide planning goals. Over the past forty+ years, the Oregon Legislature and LCDC have updated O.R.S. 197, the statewide planning goals and adopted ad

ministrative rules to implement the statewide planning program. Together the state statutes, goals and administrative rules clearly articulate what elements are required in a local comprehensive plan and implementation ordinances. They also describe roles and responsibilities of local and state agencies in the statewide planning process and what is required of local government officials when making ministerial, quasi-judicial and legislative land use decisions.

“Comprehensive Plan”: means a generalized, coordinated land use map and policy statements of the governing body of a state agency, city, county or special district that inter-relates all functional and natural systems and activities relating to the use of lands, including but not limited to public facilities including sewer, water and storm drainage systems, transportation, housing, economic development, recreational facilities, open space and natural resources. “Comprehensive” means all-inclusive, both in terms of the geographic area covered and functional and natural activities and systems occurring in the area covered by the plan. “General nature” means a summary to policies and proposals in broad categories and does not necessarily indicate specific locations of any area, activity or use. A plan is “coordinated” when the needs of all levels of

¹ The City of Mill City is completing the 2015 Comprehensive Plan update in two parts. Part 1 includes revisions to Chapter 1 – Introduction, Chapter 2 – Citizen Involvement, Chapter 3 – Population and Demographics, Chapter 4 - Land Use , Chapter 5 – Natural Resources and Chapter 6 – Economy. Part 2 will revise the remaining chapters.

government, semipublic and private agencies and the citizens of Oregon have been considered and accommodated as much as possible. “Land” includes water, both surface and sub-surface, and the air.

The acknowledged Comprehensive Plan is the governing document for local land use decision making. The relationship between the Comprehensive Plan and the Zoning Ordinance was addressed in the 1970’s by two cases heard by the Oregon Supreme Court.

In the case of Fasano v. Washington County Commissioners it was determined that: “the plan embodies policy determinations and guiding principles; the zoning ordinances provide the detailed means of giving effect to these principles,” and that “it must be proved that the (zone) change is in conformance with the comprehensive plan.”

An earlier decision was emphasized to a much greater extent in the 1974 case of Baker v. City of Milwaukie. In that case it was concluded “that a comprehensive plan is the controlling land use planning instrument for a city. Upon passage of a comprehensive plan, a city (or county) assumes a responsibility to effectuate that plan and resolve conflicting zoning ordinances. We further hold that the zoning decision must be in accord with that plan and a zoning ordinance which allows a more intensive use than that prescribed in the plan must fail.”

1.2 Mill City Comprehensive Plan and Implementation Measures

The Mill City Comprehensive Plan “Plan” is composed of three major interrelated parts.

- (1) background reports, public facility plans and technical studies
- (2) goals, policies and official plan maps;
- (3) implementation ordinances and measures.

The Plan document provides a narrative describing the history of the community, land use patterns, public facilities, natural resources and future growth patterns inside the urban growth boundary. The plan summarizes key findings from the background studies, public facility plans and technical reports and where necessary adopts these documents as technical amendments to the plan.

Based on the background information and technical studies, the City has adopted goals, policies and maps to guide development and provide for planned growth in the community. The fundamental difference between a goal and a policy is:

- 1) a goal is a general directive or accomplishment towards which the city wishes to go in the future;
- 2) a policy is a specific action the city feels is necessary to accomplish the goal.

The implementation measures include the zoning, subdivision and other regulatory ordinances that govern the use of specific use of individual properties within the City.

Together, the Mill City Comprehensive Plan, technical amendments to the plan and the implementation measures carry the force of law and provide the regulatory framework for land use decisions in the City. The community and individual property owners can rely on the City’s comprehensive plan to provide a clear vision for the future land uses and implementation measures to include the specific standards and criteria which must be used by the City in making land use decisions. The city staff, Planning Commission and City Council use all three to make legislative, quasi-judicial and ministerial land use decisions.

- Legislative:** The adoption of the Comprehensive Plan and amendments to the plan are legislative decisions. These decisions create policy and affect the community as a whole.
- Quasi-judicial:** Quasi-judicial decisions are made when the city council or planning commission considers a typical land use application. A quasi-judicial proceeding is similar to a judicial proceeding with procedures, testimony and evidence. Previously adopted comprehensive plan policies, data from approved technical studies, zoning and subdivision standards and criteria are all applied to specific facts to arrive at a decision on a land use application. Examples include zone changes, subdivisions, partitions, conditional use permits and variances.
- Ministerial:** A ministerial decision is an administrative action to apply standards and criteria to a specific proposal or application requiring little or no discretion on the part of the decision maker. Examples include the issuance of building permits, sign permits or lot line adjustments.

1.3 Updating the Mill City Comprehensive Plan

The original Mill City Comprehensive Plan was developed by the citizens of Mill City in the early 1980s to meet the needs of the City of Mill City for a 20-year planning horizon to the year 2000. As times change, so do the conditions for which many of the goals and policies of this Plan were written. It is therefore important that the plan be maintained as a workable document sensitive to the people and environment of Mill City. To maintain the Plan, periodic review and updating will be necessary.

Since the original adoption of the Comprehensive Plan in 1980, the City has amended the plan many times. In 1990, the City completed a periodic review update that was reviewed and approved by LCDC on September 4, 1990.

Since then, the City has adopted a number of post acknowledgment plan amendments (PAPAs) to the Plan and implementation ordinances. The City has also adopted technical planning studies to address issues that affect the entire community. These include the buildable lands analysis, flood plain hazards ordinance, local wetlands inventory, Hwy 22 access management plan and public facilities plans. The PAPAs adopted by the City include these technical studies as well as specific quasi-judicial decisions that were made to address land use applications submitted by individual property owners.

As Mill City grows and development activities occur, the City will continue to make land use decisions and public investments in the civic infrastructure. The Mill City Comprehensive Plan provides the overall vision, goals and policies to guide the City's leaders and enable them to make meaningful and consistent decisions. If the Plan is followed, decisions will be consistent regardless of whom is in the position to make the decision. The end result should be a stronger, more vibrant community.

The purpose of the 2015 Comprehensive Plan update is to plan for growth over the next twenty years to the year 2035. As part of this update, out-of-date information has been removed. Amendments adopted by the City since 1990 have been incorporated into the plan. New background information on the community has been added.

Chapter 2 CITIZEN INVOLVEMENT

The Mill City Planning Commission has been instrumental in the development of the Comprehensive Plan, the zoning code, implementation ordinances and planning studies. The Planning Commission serves as the committee for citizen involvement (CCI). It makes a concerted effort to involve a broad cross-section of the community in the development of planning documents, technical studies and land use policies and carefully considers public comments when it makes land use decisions on specific development proposals.

The City Council has delegated significant responsibilities to the Planning Commission for community development and land use planning. The Planning Commission sets goals and prepares an annual work program describing its projects for the coming year. In February, the Commission provides the City Council with an annual report summarizing its accomplishments and land use decisions made during the prior year.

The Planning Commission works closely with the staff, planning consultants, City Engineer, community groups and elected officials to evaluate the effectiveness of the city's planning program, continuously update the Comprehensive Plan and focus on priority community improvement projects. In an effort to reach and involve the citizens of Mill City in all phases of the planning process, the Planning Commission regularly holds open houses, public meetings and public hearings. Periodically, community surveys are used to gauge public opinion and identify citizen priorities on planning and public facility issues. The Commission provides policy recommendations to the City Council as required or when requested.

There are many advantages to small town living, one of the greatest is the people of the community. Many of the ongoing studies contained in the Comprehensive Plan have provided citizens with opportunities to become involved in city government and contribute to projects that improve community livability.

The City believes it is important to periodically recognize citizen volunteers for significant long-term contributions to the community. In the 1990s the City Council established the Marion White award for outstanding community service. This award is one way the City of Mill City recognizes and celebrates people who make a difference.

The "Citizen Involvement" goals and policies describe the role of the Planning Commission in reaching out to and engaging the community in the city's planning program. The "Comprehensive Plan" goals and policies emphasize the need to update the plan on a regular basis. In order to maintain the comprehensive plan as a document sensitive to the needs of the people and an ever changing community, the citizens of Mill City will be encouraged to continue to take an active role in the review, amendment and update of the Mill City Comprehensive Plan.

The City Council is responsible for ensuring the *Mill City Comprehensive Plan* and its implementation measures are up to date and comply with the Statewide Planning Goals, state statutes and Oregon Administrative Rules. Under Chapter 2.32 of the Mill City Municipal Code, the City Council has delegated responsibility to the Planning Commission to periodically update the Mill City Comprehensive Plan, the zoning and subdivision codes and other land use regulations of the city. Plan amendments and code updates may be initiated at any time they are needed. At a minimum, the Planning Commission will review the Mill City Comprehensive Plan every ten years to determine if any revisions or updates are needed. The next scheduled review will be in the year 2025.

GOALS AND POLICIES FOR CITIZEN INVOLVEMENT

STATEWIDE PLANNING GOAL 1 – CITIZEN INVOLVEMENT: To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.

Goal CI-1: To provide for ongoing citizen participation and involvement in all matters related to land use and community development.

Goal CI-2: To achieve effective communications between city government and the citizens of Mill City.

Goal CI-3: To encourage an atmosphere for meaningful citizen involvement.

Policy CI-1: The Mill City Planning Commission is designated as the Committee for Citizen Involvement, whose ongoing responsibility is to:

- a) Hold open public meetings and solicit public input in order to give community residents the opportunity to participate in the various stages of the planning and community development process,
- b) Inform the community of planning commission meetings, development proposals, and planning activities through the media and direct communication,
- c) Periodically conduct community surveys to assess community attitudes and evaluate the planning commission's effectiveness in reaching the citizenry,
- e.) Involve citizens in a meaningful way in the City's goal setting, policy development, long-range planning and community development planning efforts,
- f) Collaborate with community groups and governmental agencies to share information about on-going programs and actions that may affect land use planning and community development or may impact the citizens of Mill City, and
- g) Provide the City Council with information and recommendations on planning-related issues.

Policy CI-2: The City of Mill City will acknowledge individuals or groups who have contributed to the improvement of the community of Mill City.

Policy CI-3: The City will supply adequate human, financial and informational resources for the citizen involvement program.

**GOALS AND POLICIES
FOR
COMPREHENSIVE PLAN REVIEW AND AMENDMENT**

- Goal CP-1:** **To periodically update the Mill City Comprehensive Plan, its goals and policies so the Comprehensive Plan describes the community’s vision and promotes the development of a livable community.**
- Policy CP-1: To serve the best interests of the community, the City of Mill City will update the Comprehensive Plan if it is found that public policies and/or circumstances have changed which render any part of the plan ineffective.
- Policy CP-2: The Mill City Planning Commission will review the Comprehensive Plan, inventory data, public facility plans and implementation ordinances by the year 2025 to determine if any revisions and/or additions are needed. Revisions may be made at any time after providing opportunities for citizen involvement and agency coordination.

Chapter 3

POPULATION AND DEMOGRAPHICS

The Comprehensive Plan uses historical population information to understand how the community has developed over the past century. Population growth projections are used to forecast the amount of land needed for future residential, commercial, industrial and public uses, to plan for the expansion or modification of the City’s Urban Growth Boundary and to plan for the scope and timing of needed public facilities. Mill City’s population projections and anticipated growth rates are based on coordinated population projections prepared by Marion County and Linn County which have been approved by the State of Oregon. These projections rely on a review of historical growth rates, county-wide trends and statewide demographic characteristics. Since Linn County’s population forecast does not cover the entire 20-year planning period, a city is allowed to use an alternate population forecast.¹ Therefore Mill City has used an alternative population forecast for the plan period as state statute provides.

3.1 Population Trends

Oregon. In the two decades of the 1990’s and 2000’s Oregon’s population grew at a pace faster than the nation. Oregon’s population growth has historically been heavily affected by the state of the economy. In good economic times, migration of people to Oregon fueled population growth. Net migration (people migrating to Oregon minus out-migration of people leaving the state) accounted for three-quarters of Oregon’s population growth in the 1990’s and 51% of Oregon’s population growth in the 2000’s. Population growth and net migration slowed during the Great Recession (2008 to 2013) due to poor economic conditions and high unemployment rates in the state.

Table D-1
Population Growth Rates 1980–2010

| | 1980 | 1990 | 2000 | 2010 | Changes in Population | | |
|-------------------|-------------|-------------|-------------|-------------|-----------------------|-----------|-----------|
| | | | | | 1980-1990 | 1990-2000 | 2000-2010 |
| U.S. | 226,545,805 | 248,709,873 | 281,421,906 | 308,745,538 | 9.8% | 13.2% | 9.7% |
| Oregon | 2,633,156 | 2,842,337 | 3,421,437 | 3,831,074 | 7.9% | 20.4% | 12.0% |
| Willamette Valley | 1,788,577 | 1,962,816 | 2,280,631 | 2,684,933 | 9.7% | 16.2% | 17.7% |
| Marion County | 204,692 | 228,483 | 284,837 | 315,391 | 11.6% | 24.7% | 10.7% |
| Linn County | 89,495 | 91,227 | 103,083 | 116,672 | 1.9% | 13.0% | 13.2% |
| Salem | 89,233 | 108,846 | 137,569 | 154,637 | 22.0% | 26.4% | 12.4% |
| Stayton | 4,396 | 5,011 | 6,816 | 7,644 | 14.0% | 36.0% | 12.1% |
| Albany | 26,540 | 33,230 | 41,026 | 50,158 | 26.3% | 21.9% | 22.8% |
| Mill City | 1,565 | 1,555 | 1,537 | 1,855 | -0.6% | -1.2% | 20.7% |

Sources: U.S. Census Bureau and Population Research Center, College of Urban and Public Affairs, Portland State University.

¹ ORS 195.034(2)

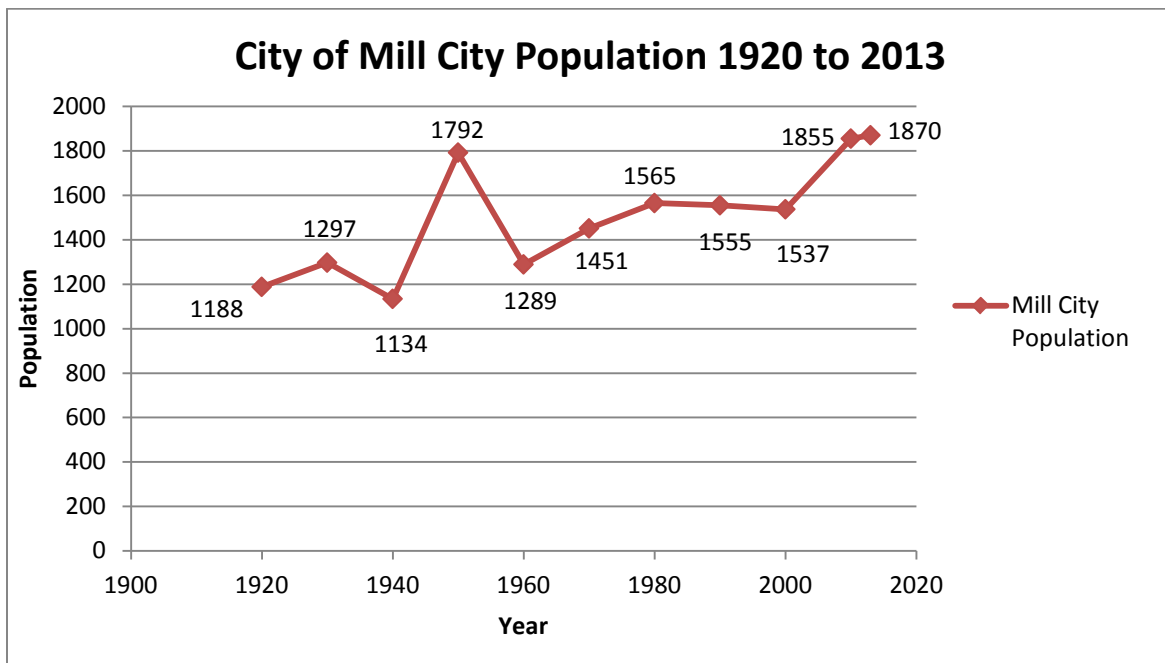
Future population projections anticipate net migration will increase from a low of 32% of the annual population increase in 2010 to more than 2/3rds of the Oregon’s annual population growth in the year 2020 (28,000 people annually). The long term forecast estimates Oregon’s population will grow faster than the nation.²

Willamette Valley. The Willamette Valley is Oregon’s population center.³ Just over 70% of Oregon’s population is located in the Willamette Valley, which contains only 14% of the state’s land area. Population is concentrated in the metropolitan areas of Portland, Salem, and Eugene. Oregon’s population growth will continue to occur in the Willamette Valley, major cities and the Portland metropolitan area.

Marion County: Marion County is located in the mid-Willamette Valley south of the Portland metropolitan area. Since 1980 Marion County has grown more rapidly than the state as a whole and faster than the other Willamette Valley counties. Table D-1 shows that Salem, the state capital, and its nearby suburbs and small cities have seen the highest growth rates. Mill City, and the other outlying resource dependent communities in the North Santiam Canyon east of Salem, saw very little or no population growth during the 1980s and 1990s.

Linn County. Linn County is located in the southern half of the Willamette Valley between the Salem and Eugene metropolitan areas. Since 1980, Linn County’s overall population has not grown as rapidly as the Willamette Valley as a whole.

Table D-2
City of Mill City Population 1920 to 2013



² Oregon’s Demographic Trends, Office of Economic Analysis, Department of Administrative Services, State of Oregon, December 2012, p. 5. http://www.oregon.gov/DAS/OEA/docs/demographic/OR_pop_trend2012.pdf

³ The Willamette Valley is composed of Benton, Clackamas, Lane, Linn, Marion, Multnomah, Polk, Washington, and Yamhill counties.

Mill City. The City of Mill City is located 34 miles east of Salem in the North Santiam Canyon. The City is partially in two counties: Linn County and Marion County. The North Santiam River divides the City, north of the river is in Marion County and south of the river is in Linn County. Highway 22, the main state highway connection between the mid-Willamette Valley and central Oregon, travels through the northern edge of the city.

| City of Mill City Average Annual Growth Rates | |
|--|------------------|
| 1970 to 1980 | +0.75% annually |
| 1980 to 2000 | - 0.08% annually |
| 2000 to 2010 | +1.90% annually |

Mill City was founded in 1886, and was named after the Santiam Lumbering Company's mill that stretched along the north bank of the North Santiam River from the existing highway bridge east to Santiam Point. The Hammond Lumber Company later purchased the mill in 1900 and greatly enlarged it in 1909. The mill soon became the largest mill in the Pacific Northwest, before it closed in 1934. After 1934, there were several small mills operating in the area as timber-based industries continued to be the primary employer in the region. The 1920 U.S. Census lists the two Mill City precincts in Linn and Marion counties with a total population at 1188 people. The two precincts encompass a larger geographic area than the City of Mill City. The City was incorporated in 1947.

Table D-3
**Mill City
 Population History⁴**

| Year | US Census | PSU Estimate | % Change |
|------|-----------|--------------|----------|
| 1920 | 1,188 | | |
| 1930 | 1,297 | | 9.2% |
| 1940 | 1,134 | | -12.6% |
| 1950 | 1,792 | | 58.0% |
| 1960 | 1,289 | | -28.1% |
| 1970 | 1,451 | | 12.6% |
| 1980 | 1,565 | | 7.9% |
| 1990 | 1,555 | | -0.6% |
| 2000 | 1,537 | | -1.2% |
| 2010 | 1,855 | | 20.7% |
| 2011 | | 1,865 | 0.54% |
| 2012 | | 1,870 | -0.27% |
| 2013 | | 1,870 | 0.00% |
| 2014 | | | |

A partial recovery occurred in the 1960's and 1970's as Oregon's forest products industries thrived. Mill City also served as a small commercial and service center for the North Santiam Canyon area. Local businesses, schools and churches served rural and city residents. Population growth ended in 1980 as a result of an economic downturn and recession that ended the housing boom of the late 1970's.

Population remained unchanged for 25 years, from 1980 to 2005, hovering between 1500 and 1550 residents. Mill City's stagnant population in the last 25 years of the 20th century was significantly different than that which occurred in most cities in the mid-Willamette Valley. Most mid-Willamette Valley cities saw steady or rapid growth during this time period. The difference can be attributed to Mill City's economic reliance on the timber industry and its distance from jobs in the larger cities of the Willamette Valley. Linn County and the North Santiam Canyon lost a significant number of family-wage jobs and wood products employers during the shakeup and modernization of the industry during the 1980's and 1990's. Despite losses, manufacturing industries are the primary employers.

Forestry and wood products are expected to continue as the primary industries in Mill City in the first part of the 21st Century. Significant employment is provided by the Frank Lumber Company, Inc and Freres Lumber

⁴ US Census Bureau - 1920 to 1940 Census data is for the two Mill City precincts in Linn and Marion counties. The precincts encompassed a slightly larger geographical area than the City of Mill City. Census data from 1950 to the present is for the City of Mill City.

Company, Inc. at their facilities just west of Mill City and Lyons and by the nearby federal and state natural resource agencies. Detroit Lake, the reservoir created by the dam projects, produces hydroelectric power and is the center of a thriving summer and winter recreation area. Parks and campgrounds near the lake and along the North Santiam River are heavily used. Improvements to Highway 22 from Salem to the Santiam Pass have also made Mill City more accessible to travelers between the Salem and Central Oregon and to local residents commuting from Mill City to the mid-Willamette Valley.

From 2000 to 2008, the City saw population increase from 1,537 to 1,855 people with the development of new subdivisions. With the onset of the Great Recession, few single family building permits were issued from 2008 to 2013.

The population history table shows Mill City's annual Census population from 1950 to 2010 and population estimates from 2011 to 2013 prepared by Portland State University's College of Urban and Public Affairs: Population Research Center.

A 1992 update of the Mill City Comprehensive Plan optimistically estimated the city would grow to a population of 2,637 by the year 2009. This was an overly aggressive estimate. A 2009 coordinated population forecast prepared by Marion County estimated Mill City's population would not reach 1800 people by the year 2030. Neither forecast was accurate. In order to plan for the City's future, there is a need to modify the population forecast for the City.

3.2 Population Forecast

The state requires each county to establish a population forecast for the entire county and to coordinate this forecast with the local governments within its boundary.⁵

Marion County prepared a coordinated population forecast for the County and its twenty incorporated cities in 2009. The last time Linn County prepared a coordinated population forecast that included Mill City was 1999 which forecast population only to 2020. Since Linn County's population forecast does not cover the entire 20-year planning period, a city is allowed to use an alternate population forecast.⁶ Therefore Mill City has used an alternative population forecast for the plan period as provided for in state statute.

The City used the State of Oregon's March 2013 long-term forecast for population growth for both counties and the 2013 certified population estimates for Mill City, Linn County and Marion County to project Mill City's population during the 20-year planning period. The City's alternate population forecast is summarized in Table D-4.

The City of Mill City's population at the time of the 2010 Census was 0.43% of the combined total population of 432,740 people in the two counties. The City's share of the county population has dropped slightly since 2010. The City's 2013 certified population estimate of 1,870 people was approximately 0.424% of the total certified population estimate of 441,535 for both counties. The City assumes the City's share of the combined population of the two counties will remain at 0.424% over the next forty years. Mill City's population is estimated to increase from 1,870 people in 2013 to 2,461 people in 2035 at the end of the 20-year planning period. The average annual growth rate from 2013 to 2035 is estimated to be 1.25% annually.

⁵ ORS 195.025 and ORS 195.036.

⁶ ORS 195.034(2)

Table D-4
**Forecast Population Growth for Mill City
 2010 – 2050**

| Year | Combined Linn & Marion Counties Population Forecast | | | City of Mill City Forecast @ 0.424 of Combined Linn County & Marion County Population Forecast | | |
|----------------------------|---|--------|----------|--|--------|----------|
| | Amount | Change | % Change | Amount | Change | % Change |
| <i>Actual Population</i> | | | | | | |
| 2010 Census | 432,740 | | | 1,855 | | |
| 2011 PSU Est | 435,490 | | | 1,865 | | |
| 2012 PSU Est | 438,530 | | | 1,870 | | |
| 2013 PSU Est | 441,535 | | | 1,870 | | |
| <i>Population Forecast</i> | | | | | | |
| 2015 | 452,784 | 20,045 | 4.63% | 1,918 | 83 | 4.63% |
| 2020 | 483,643 | 30,858 | 6.82% | 2,048 | 130 | 6.82% |
| 2025 | 517,313 | 33,670 | 6.96% | 2,191 | 143 | 6.96% |
| 2030 | 550,285 | 32,972 | 6.37% | 2,331 | 140 | 6.37% |
| 2035 | 581,048 | 30,762 | 5.59% | 2,461 | 130 | 5.59% |
| 2040 | 610,062 | 29,015 | 4.99% | 2,584 | 123 | 4.99% |
| 2045 | 638,419 | 28,357 | 4.65% | 2,704 | 120 | 4.65% |
| 2050 | 666,813 | 28,394 | 4.45% | 2,824 | 120 | 4.45% |

Source: State of Oregon, Office of Economic Analysis, March 2013 County Forecast, PSU Certified Population estimates for 2013 and the City of Mill City's population projection at 0.424% of the combined population of Linn County and Marion County.

In 2013 the Oregon legislature passed a law delegating responsibility for preparing population forecasts to PSU's Population Research Center. Each county-wide population forecast will have a 50-year time horizon. The population forecasts will be updated every four years and the county-wide population forecast will be coordinated with each incorporated city. Linn County and Marion County are in the third group of counties to be scheduled to have the coordinated population forecast updated. PSU's Center for Population Research anticipates the forecasts will be completed in 2016-2017.

3.3 Demographics

A Census Snapshot: Mill City and Linn County

Demographic characteristics of people living in Mill City, Marion County and Linn County provide a snapshot of Mill City's demographic makeup in comparison to the two counties and state population profile. More recent data is available for the counties and the State of Oregon, but is either not readily available for a small city population or the margin for error listed for the data set is very large. The information listed is taken from the 2010 Census, the 2012 American Community Survey (ACS) or other sources as noted.

Mill City residents were:

- Younger than Linn County – Median age in Mill City was 36.2 years compared to 39.2 years in Linn County, but slightly higher than the 35.1 median age in Marion County [2010 Census].

- Less affluent – In 2012, median household income in Mill City (\$40,313) was lower than the median household income in Linn County (\$47,129), Marion County (\$46,654) and the State of Oregon (\$50,036).⁷
- Less likely to be employed – Mill City’s unemployment rate in 2012 was 15.5%, compared to 9.6% in Linn County, 13.2% in Marion County and 10.8% in the State of Oregon.⁸
- More likely to work in natural resources industries –According to the 2012 American Community Survey 15.3% of Mill City’s workers were employed in natural resources and construction industries compared to 12.6% in Linn County and 12.9% in Marion County.⁹
- More likely to be homeowners – 66% of Mill City’s homes were owner-occupied housing units. This compared favorably with 65% in Linn County, 61% in Marion County and 62.2% in the State of Oregon [2010 Census].
- Larger household size – Household size in Mill City was 2.72 persons per household (pph) compared to Linn County (2.55 persons), Marion County (2.70 persons) and the State of Oregon (2.47 persons). [2010 Census].
 - Household size has steadily declined in Oregon from 1960 to 2010, from a high of 3.1 pph in 1960 to 2.47 pph in 2010. A PSU Center for Population Research publication “Oregon Outlook, April 2003”, concludes overall household size in Oregon will continue to decrease due to demographic trends of an aging population.¹⁰
 - In a 2009 population forecast study for Marion County, the PSU Center for Population Research concluded household size in Marion County’s fifteen smallest cities is expected to remain close to the 2.70 average household size between the period 2010 to 2030. The forecast for Mill City anticipates household size will decrease slightly to 2.65 persons per household by the year 2030.¹¹
- Educational Attainment – Mill City and Linn County residents have had less formal education than Oregon’s overall population.
 - High School: The 2012 data shows 73.8% of Mill City’s residents aged 25 and older had a high school diploma or GED. This is fewer than the number of residents in Linn County (88.7%), Marion County (83.1%) or the State of Oregon (89.2%) who have received a high school diploma or equivalent.
 - Advanced Educational Degrees: In Mill City 15.1% of its residents aged 25 and older had obtained a bachelor’s degree or higher. In 2012 16.1% of Linn County residents, 20.8% of Marion County residents and 29.2% of Oregonians had a college degree.¹²

⁷ U.S. Census Bureau, American Community Survey, 2008-2012 5-Year Estimates, Selected Economic Characteristics

⁸ Ibid.

⁹ Ibid.

¹⁰ See Oregon Outlook at https://stage.www.pdx.edu/media/p/r/prc_Oregon_Outlook_April_2003_Pop_Trends.pdf

¹¹ Population Forecasts for Marion County, its Cities and Unincorporated Area 2010-2030, prepared by Population Research Center, College of Urban and Public Affairs, Portland State University, September 2008.

¹² U.S. Census, American Community Survey, 2008-2012 5-Year Estimates on Educational Attainment

- Diversity – The majority of people in Mill City (90.7%), Linn County (90.6%) and Marion County (80.4%) are white. Mill City is slightly less diverse in 2010 than it was in 2000, when 86.3% of Mill City’s population was white. Oregon is one of the least diverse states in the country in terms of race and ethnicity [2010 Census].
- More Slightly less likely to be in poverty status – 11.7% of Mill City families lived in poverty in 2012 compared to families in Linn County (12.0%) and Marion County (13.8%) and the State of Oregon (10.8%).¹³

Age Distribution

Due to the aging of the post-World War II baby boomer generation and improved health care, Oregon’s population is expected to continue to get older in the next twenty years. Life expectancy for Oregonians is projected to increase during the next decade. Average life expectancy for men will increase from 75.7 years (2000) to 78.2 years (2020) and life expectancy for women will increase from 80.2 years (2000) to 82.7 years (2020).¹⁴

The number of school age children has been declining in Oregon since 1980. This has been attributed to declining birth rates and fewer women of child-bearing age. This trend is expected to continue through 2020 when only 15% of Oregonians will be school age compared to 20% in 1980.

The number of senior citizens (age 65+) will grow as the baby boomer generation reaches retirement age and life expectancy continues to rise. In 2020, there will be 48% more Oregon residents over the age of 65 than there were in 2010.

Despite these trends, Mill City’s population was similar to Marion County’s residents and younger than the rest of Linn County. Median age in Mill City in 2010 was 36.2 years of age compared to the Marion County median age of 35.1, the Linn County median age of 39.2 and the State’s median age of 38.3.

Table D-5
City of Mill City compared to Linn & Marion Counties
Age Groups as a Percentage of Population

| Age Ranges | City of Mill City 2000 | | City of Mill City 2010 | | Linn & Marion Counties 2010 | |
|---------------------|---------------------------|-------|---------------------------|-------|--------------------------------|--------|
| 0 to 14 | 367 | 23.9% | 423 | 22.8% | 92,825 | 21.5% |
| 15 to 24 | 213 | 13.9% | 245 | 13.2% | 59,456 | 13.8% |
| 25 to 34 | 165 | 10.7% | 234 | 12.6% | 57,335 | 13.3% |
| 35 to 44 | 246 | 16.0% | 216 | 11.6% | 53,651 | 12.4% |
| 45 to 54 | 184 | 12.0% | 272 | 14.7% | 57,498 | 13.3% |
| 55 to 64 | 157 | 10.2% | 215 | 11.6% | 52,702 | 12.2% |
| 65 to 74 | 104 | 6.8% | 156 | 8.4% | 31,328 | 7.3% |
| 75 and older | 101 | 6.6% | 94 | 5.1% | 27,212 | 6.3% |
| Total Pop. | 1,537 | | 1,855 | | 432,007 | |
| Median Age | 35.8 | | 36.2 | | 39.2 | Linn |
| | | | | | 35.1 | Marion |

Source: U.S. Census Bureau, 2000 and 2010 Census

¹³ U.S. Census Bureau, American Community Survey, 2008-2012 5-Year Estimates, Selected Economic Characteristics

¹⁴ Oregon’s Demographic Trends, Office of Economic Analysis, December 2012.

Race and Ethnicity

According to the Oregon’s Office of Economic Analysis 21.9% of Oregonians belong to a minority race or ethnic group compared to 36% nationwide. OEA anticipates Oregon will become more diverse over the next few decades. Forecasts anticipate increasing diversity in the overall racial and ethnic makeup of the population, with faster growth in the number of Oregon residents with Hispanic/Latino and Asian heritage. The 2010 Census shows Mill City’s and Linn County’s racial and ethnic makeup was less diverse than the state and nation, while Marion County’s population was more diverse.

Table D-6
**City of Mill City, Linn County and Marion County
 Race and Ethnicity in 2010**

| Race and Ethnicity | City of Mill City | % | Linn County | % | Marion County | % |
|--|-------------------|-------|-------------|-------|---------------|-------|
| Total Population: | 1,855 | | 116,672 | | 315,335 | |
| Population of one race: | 1,782 | 96.1% | 112,852 | 97.4% | 303,129 | 96.1% |
| White alone | 1,682 | 90.7% | 105,669 | 90.6% | 246,656 | 78.2% |
| Black or African American alone | 8 | 0.4% | 534 | 0.5% | 3,371 | 1.1% |
| American Indian and Alaska Native alone | 36 | 1.9% | 1,488 | 1.3% | 4,959 | 1.6% |
| Asian alone | 8 | 0.4% | 1,111 | 1.0% | 5,995 | 1.9% |
| Native Hawaiian & Other Pacific Islander alone | 11 | 0.6% | 162 | 0.1% | 2,329 | 0.7% |
| Other Race | 37 | 2.0% | 3,888 | 3.3% | 39,819 | 12.6% |
| Population of two or more races: | 73 | 3.9% | 3,820 | 3.3% | 12,206 | 3.9% |
| Total | 1,855 | | 116,672 | | 315,335 | |
| Ethnicity | | | | | | |
| Hispanic or Latino | 171 | 9.2% | 9,127 | 7.8% | 76,594 | 24.3% |
| Not Hispanic or Latino | 1,684 | 90.8% | 107,545 | 92.2% | 238,741 | 75.7% |

Source: U.S. Census Bureau, 2010 Census.

Education

Mill City’s citizens, age 25 years and older, were less well educated in 2012 than they were in the year 2000. The number of Mill City residents with a high school diploma or GED declined from 79% in 2000 to 73.5% in 2012. However, more Mill City residents had received advanced educational degrees. In 2012, 15.1% of Mill City’s residents had a bachelor’s degree or higher compared to 11.9% in the year 2000. Mill City’s educational attainment lagged behind Linn County, Marion County and the State of Oregon.

Table D-7
**Educational Attainment for Mill City Residents
 2000 and 2012**

| Educational Attainment | 2000 | 2012 |
|--------------------------------|-------|-------|
| High school graduate or higher | 79.0% | 73.8% |
| Bachelor’s degree or higher | 11.9% | 15.1% |

Source: U.S. Census 2000 and 2012 American Community Survey. Due to the small sample size the ACS has a high margin of error for this data set.

Chapter 4 LAND USE

The Land Use element of the Comprehensive Plan discusses existing and planned land uses within the City of Mill City and its urban growth area. The City of Mill City Urban Growth Boundary (UGB) contains an area of 923 acres. Table LU-1 shows the overall gross acreage in the UGB and identifies the acreage inside the city limits and in the unincorporated areas outside the city limits.

Table LU-1
Acreage in Mill City UGB

| Location | Gross Acres |
|---|-------------|
| Inside City Limits | 544 |
| Outside City Limits – Linn County UGA | 371 |
| Outside City Limits – Marion County UGA | 8 |
| TOTAL | 923 |

Source: Linn County GIS, September 2014.

4.1 Mill City Comprehensive Plan Map and Plan Designations

Comprehensive Plan Map

The Mill City Comprehensive Plan Map is often thought of as "the plan". The plan map is a significant element, but it is only one component of the comprehensive plan. The comprehensive plan includes the plan map, background information and technical data describing the community as well as goals and policies to guide future development. It is the interrelationship of the community information with the goals and policies that gives the map its significance. Together they define a long term vision of how the community will grow and change.

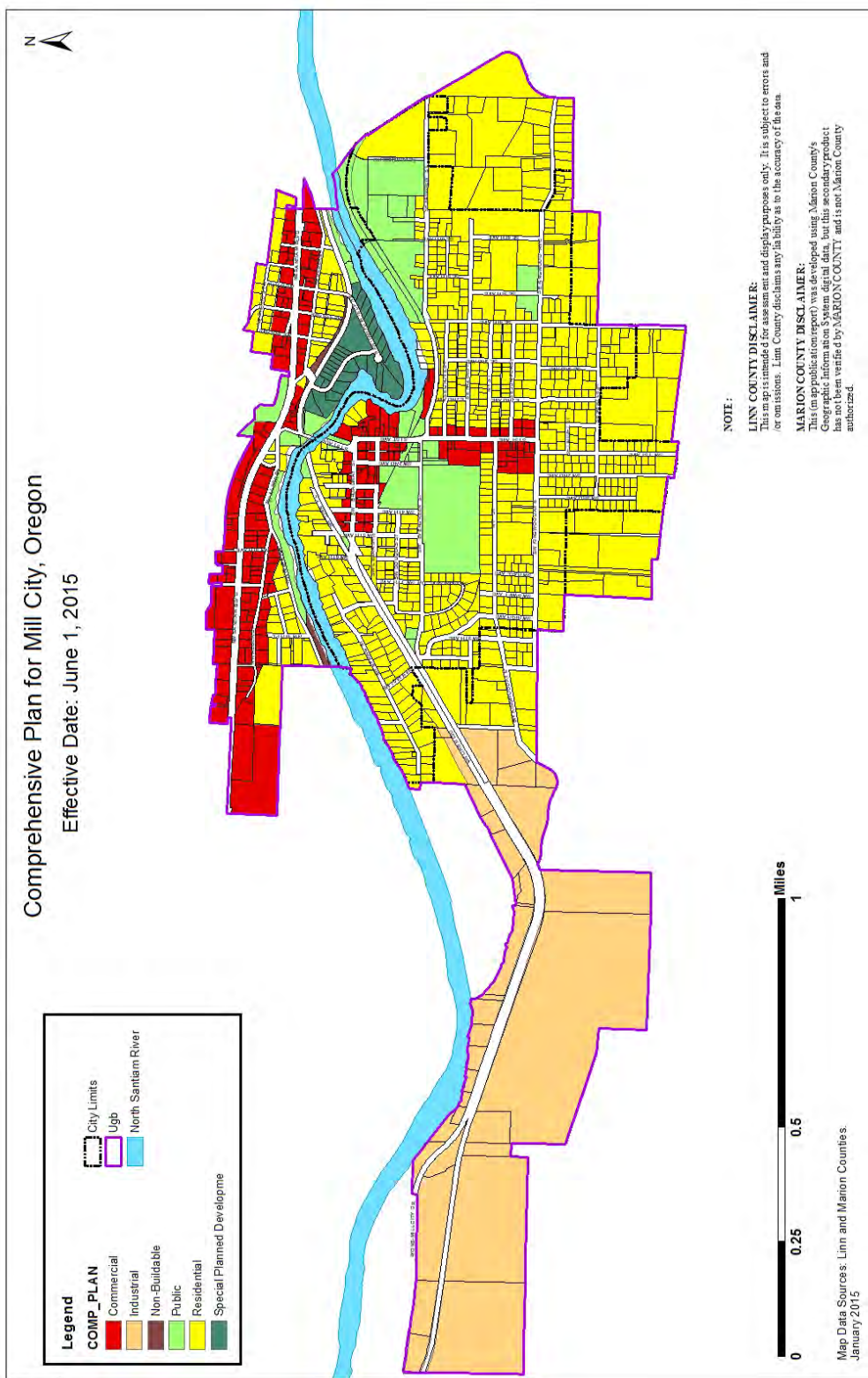
The Mill City Comprehensive Plan map was originally adopted in 1980. It has been amended many times since. Some amendments were initiated by property owners who filed applications with the City because they desired to develop their land with a different use than originally anticipated by the plan. Other amendments were initiated by City officials to reflect their changing vision for the future of the community.

The comprehensive plan map graphically shows all lands within the Mill City UGB and assigns the land to five general plan designations. These plan designations are:

- Residential
- Special Planned Development
- Public
- Commercial
- Industrial

Map LU-1 is the official "Mill City Comprehensive Plan Map" effective May 15, 2015. It supersedes all prior versions of the plan map.

Map LU-1 City of Mill City Comprehensive Plan



Residential Plan Designations

Each plan designation describes a general land use category and creates a framework to guide the City in adopting and updating the zoning map, the zoning code and related implementation measures. The zoning code adopts the official zoning map and establishes the zoning districts for each plan designation. Within one area having the same plan designation there may be several different zones and sets of regulations that apply to a particular parcel of land.

Residential

The *Residential* designation recognizes existing neighborhoods and provides areas for residential development in order to meet the housing needs of current and future Mill City residents. Plan policies encourage and the zoning code allows a mix of housing types to meet the housing needs of Mill City residents of all income levels. Land is designated for the development of single family homes, duplexes, multi-family housing, manufactured homes, and other residential types such as assisted living, residential homes and group care facilities. Overall, residential densities will be up to six (6) units per acre in single family residential zones and up to thirteen (13) units per acre in multi-family zones. As part of the zoning code, the City of Mill City has created two basic residential zones: Single Family Residential (R-1) and Multi-family Residential (R-2).

Special Planned Development

The *Special Planned Development* (SPD) designation recognizes there are properties in Mill City that warrant special consideration and will benefit from the use of an integrated design approach when they are developed because of the existence of unique natural features or constraints on the site. These may include steep slopes, utility transmission lines, flood hazards, riparian corridors, wetlands or other natural features. The SPD designation may also be appropriate when there are opportunities to set aside open space, recreation sites or parks in conjunction with a residential or mixed use development. The zoning code includes a Special Planned Development (SPD) zone.

The Village at Santiam Pointe, a large lot residential development adjacent to the north side of North Santiam River, utilized the SPD designation and zone to protect wetlands, fish and wildlife habitat and riparian areas adjacent to Elizabeth Creek and the North Santiam River. The intent of the SPD zone is to provide maximum flexibility and imagination during design. Uses in the SPD zone may range from residential to mixed use developments with a combination of residential, commercial, public, industrial uses and open space areas. The SPD designation is not intended to be a vehicle to avoid development standards and requirements.

Urban Transition: Areas Outside the City Limits and Inside the Urban Growth Boundary

Linn County and Marion County have zoned areas outside the city limits, but inside the Urban Growth Boundary, in *Urban Growth Area (UGA)* and *Urban Transition (UT)* zones. Linn County's UGA zones and Marion County's UT zones allow for farm/forestry uses, larger lot rural residential uses and industrial development while anticipating the land will be annexed to the City of Mill City and developed at urban densities in the future when public facilities are available to serve the sites.

Non-Residential Plan Designations

Commercial

The *Commercial* plan designation identifies areas suitable for business activities. The *Commercial* designation accommodates existing residential and commercial uses in the downtown core area and

along Hwy 22. It anticipates future commercial development will occur along major arterial streets: West Broadway Avenue, 1st Avenue and Hwy 22. The City has created two commercial zones: Central Commercial (CC) and Commercial Highway (CH).

Industrial

The *Industrial* plan designation identifies the existing industrial development area at the west end of the UGB on Lyons-Mill City Drive, where existing lumber and wood products industries exist. The plan anticipates future industrial development in the west half of the UGB on lands which are close to major arterials or rail lines. It is the intent of the *Industrial* plan designation to protect existing industrial uses and provide land for future industries in order to provide employment opportunities for residents living in Mill City and the surrounding rural area. Linn County has created Limited Industrial (UGA-LI) and Heavy Industrial (UGA-HI) zones in the urban growth area and the City has created an Industrial (I) Zone for use when properties in the UGB are annexed into the City.

Public

The *Public* designation identifies areas suitable for uses which are owned or operated by governmental agencies which serve the general community. General government buildings, parks, open spaces, public works facilities and schools are included in this designation as well as private utility facilities. The City has created a Public (P) zone in the zoning ordinance.

4.2 Zoning Districts and Zoning Maps

Title 17 “Zoning” of the Mill City Municipal Code creates the seven zoning districts in the City of Mill City, adopts the official “Zoning Map”, defines allowed uses and establishes regulatory requirements for development of land within each zone. The zoning districts include three residential districts, two commercial districts, one industrial district and the public zoning district, as listed in Table LU-2.

Table LU-2
City of Mill City Zoning Districts

| Zoning District | | Allowed Uses or General Description |
|-----------------------------|-----|---|
| Single Family Residential | R-1 | Single family and MH on individual lots. 4 to 6 units/acre. |
| Multi-Family Residential | R-2 | All types of residential uses. 6 to 13 units per acre. |
| Special Planned Development | SPD | Residential development or mixed use development areas that integrate with unique site features or natural resource areas into the development. |
| Central Commercial | CC | Downtown Commercial area – West Broadway and 1 st Avenue |
| Highway Commercial | CH | Highway 22 Commercial corridor – entire length of the City |
| Industrial | I | Industrial areas on the west end of UGB along Lyons-Mill City Drive |
| Public | P | Governmental facilities, parks, schools and open spaces |

In addition, the City has adopted implementation measures to provide more specific regulations that may apply to some or all properties (e.g. flood hazards, wetlands, historic resource protection regulations, land division regulations, public works standards, etc.). Together the zoning code and the implementation measures establish the regulatory framework under which properties can be developed. They are a set of highly specific and detailed ordinances created to implement the long-range goals and policies of the plan.

For properties outside the City limits, but within the urban growth area, the Linn County and Marion County zoning maps and regulations apply. The two counties have established urban transition zones which will enable the lands outside the city limits to be developed for rural uses and then be annexed to the City and developed at urban densities when water, sewer and transportation facilities are available. Table LU-3 lists the zoning districts of each county inside the Mill City Urban Growth Boundary.

Table LU-3
**Linn County and Marion County Zoning Districts
 Within the Mill City UGB**

| Zoning District | | Allowed Uses or General Description |
|-----------------------------|--------|---|
| <i>Linn County</i> | | |
| Rural Residential | UGA-RR | Rural Residential homes and related farm and forestry uses on large lots inside the Mill City UGB. Two zones: RR-2.5 and RR-5 with minimum lot sizes of 2.5 acres and 5 acres. |
| Heavy Industrial | UGA-HI | Heavy industrial manufacturing and related business development which does not require full urban services. |
| Limited Industrial | UGA-LI | Limited industrial developments and related businesses which will have minimal impacts on surrounding properties and do not require full urban services. Also allows for individual dwellings and farm/forestry uses. |
| <i>Marion County</i> | | |
| Urban Transition | UT-5 | Rural residential homes, commercial activities and farm uses which do not have full urban services. |

Table LU-4 summarizes the acres of land zoned for different uses inside the City and in the Urban Growth Area. Residentially zoned land occupies 265 acres (49%) of the land inside the city limits. The City has zoned 79 acres (15%) for commercial uses and 69 acres (13%) for public uses. Right-of-way, the North Santiam River and other unzoned areas occupy the remaining 130 acres (24%) of the land area inside the city limits.

There are no active industrial uses remaining in the city limits. In 2011, the City rezoned 1.80 acres in the downtown commercial area from an Industrial (I) zone to the Central Commercial (CC) zone. These small parcels were the last remnants of Mill City’s early logging and mill activities. The final industrial uses that had once occupied these sites were abandoned in the 1980s and 1990s. Due to the parcel locations, the City deemed it appropriate to place these small parcels in the downtown commercial zone. A medical clinic and professional offices have been developed on two of the properties.

Table LU-4
Total Acres by Zoning District

| Zoning District | Zone Abbreviation | City (Acres) | Urban Growth Area (Acres) | Total (Acres) |
|--|-------------------|--------------|---------------------------|---------------|
| Inside City Limits | | | | |
| Single Family Residential | R-1 | 146 | | 146 |
| Multi-Family Residential | R-2 | 104 | | 104 |
| Special Planned Development | SPD | 15 | | 15 |
| Central Commercial | CC | 25 | | 25 |
| Highway Commercial | CH | 54 | | 54 |
| Public | P | 70 | | 70 |
| Outside City Limits (in UGB) | | | | |
| Rural Residential (Linn County) | UGA-RR | | 144 | 144 |
| Industrial (Linn County) | UGA-LI & UGA-HI | | 227 | 227 |
| Urban Transition | UT-5 | | 8 | 8 |
| ROW, North Santiam River or Other Area not in a Zoning District | | 130 | | 130 |
| Total | | 544 | 379 | 923 |

Source: Linn County GIS, September 2014.

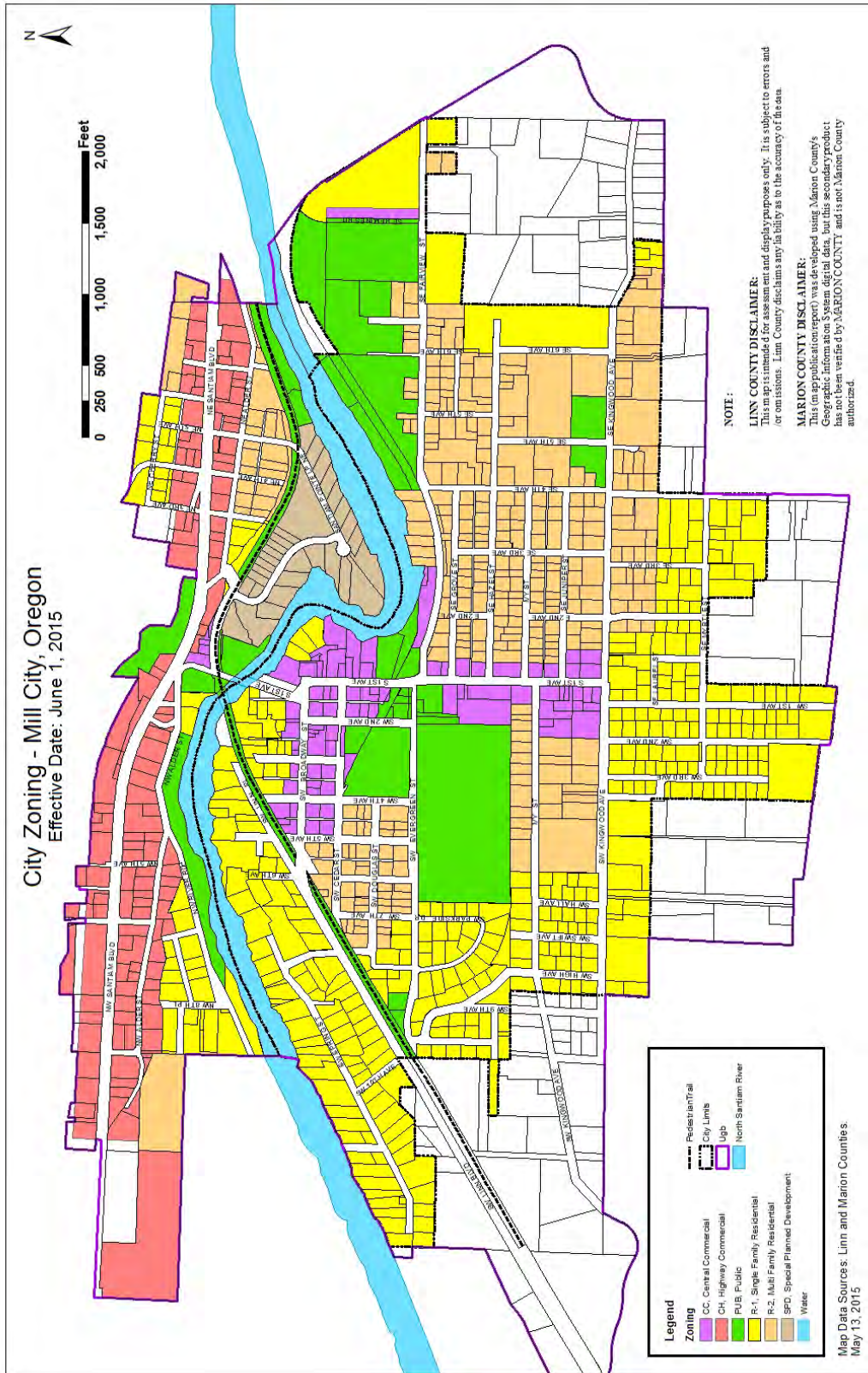
The Urban Growth Area outside the city limits includes 379 acres of land. This land is reserved for future urban uses and may be annexed to the City when public facilities are extended into these unincorporated areas of the UGB.

The City’s buildable lands analysis update¹ shows a majority of the acreage outside the city limits in the Urban Growth Area is already developed for industrial and large lot residential uses or is constrained by steep slopes, wetlands or flood hazard areas. Mill City’s two large industrial firms, Frank Lumber Company, Inc. and Freres Lumber Company, Inc. are located at the west end of the Urban Growth Area, but are not served by city services. Rural residential lands in the southwest, south and east areas of the Urban Growth Area include a number of large lot rural residential parcels, small hobby farms as well as a few large agricultural parcels.

Map LU-2 is the official Zoning Map of the City of Mill City and shows the city’s zoning districts for the area inside the city limits. Map LU-3 shows the Marion County and Linn County urban transition zoning districts for the unincorporated Urban Growth Area outside the city limits, but still inside the Mill City Urban Growth Boundary.

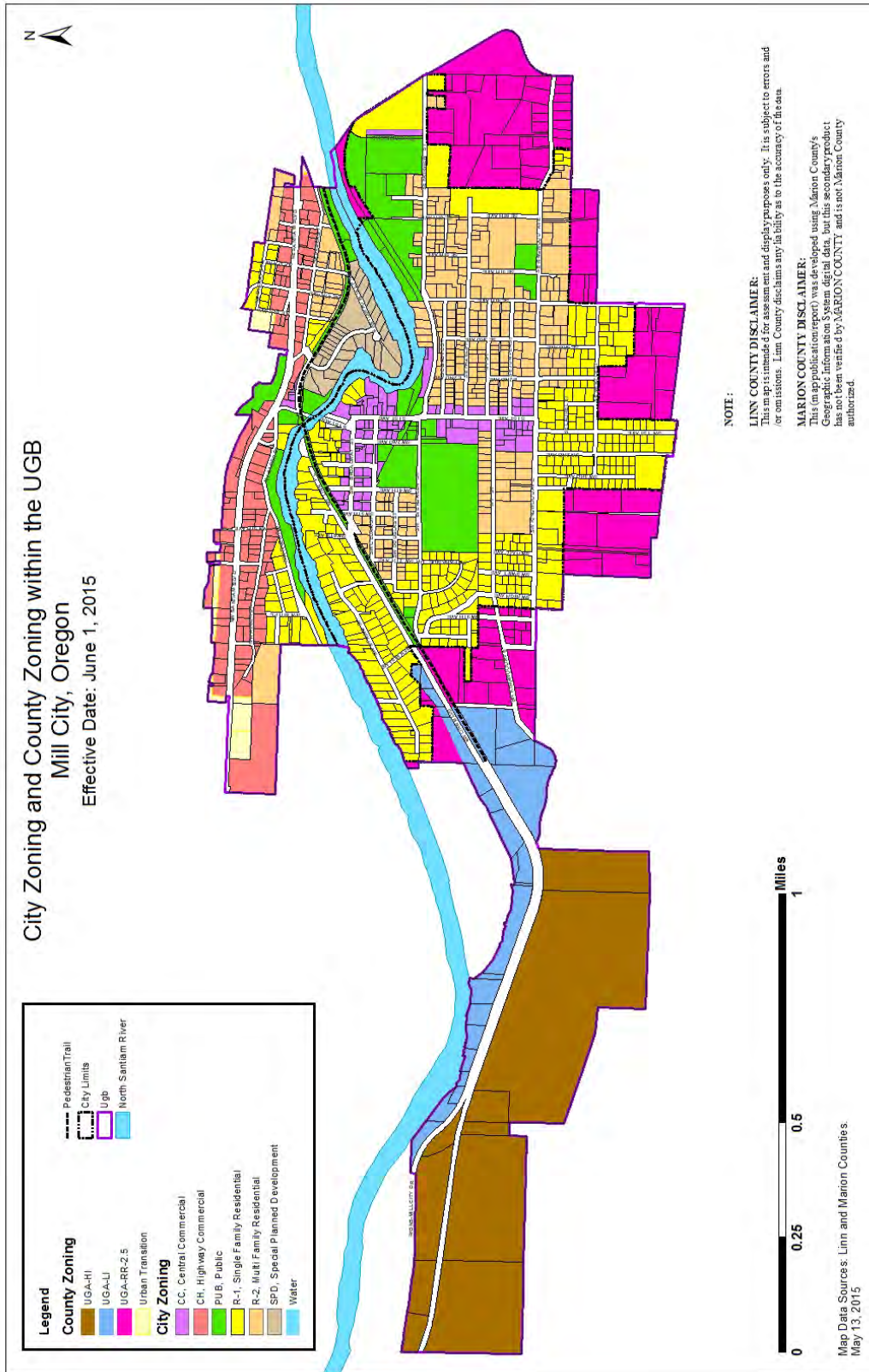
¹ *Mill City Buildable Lands Analysis Update*, September 2012, Prepared for City of Mill City by Ryan Taylor, Resource Assistance for Rural Environments (RARE), University of Oregon, Eugene, OR, 97403-1209 and updated by the City of Mill City Planning Consultant.

Map LU-2 City of Mill City Zoning Map



Map LU-3

City and County Zoning within the Mill City Urban Growth Boundary Area



4.3 Existing Land Use:

The Linn County Geographic Information System (GIS) staff has used property class data from the Linn County Assessment and Taxation office to compile a summary of existing land uses in 2014. Existing land uses have been grouped in seven major land use categories: Residential, Commercial, Industrial, Other non-residential, Public, Transportation including streets & right-of-way, Agricultural/Forest and Vacant. Table 5 shows the results of the 2014 inventory of existing land uses inside the Mill City UGB.

Table LU-5
Existing Land Uses – 2014
In the Mill City UGB

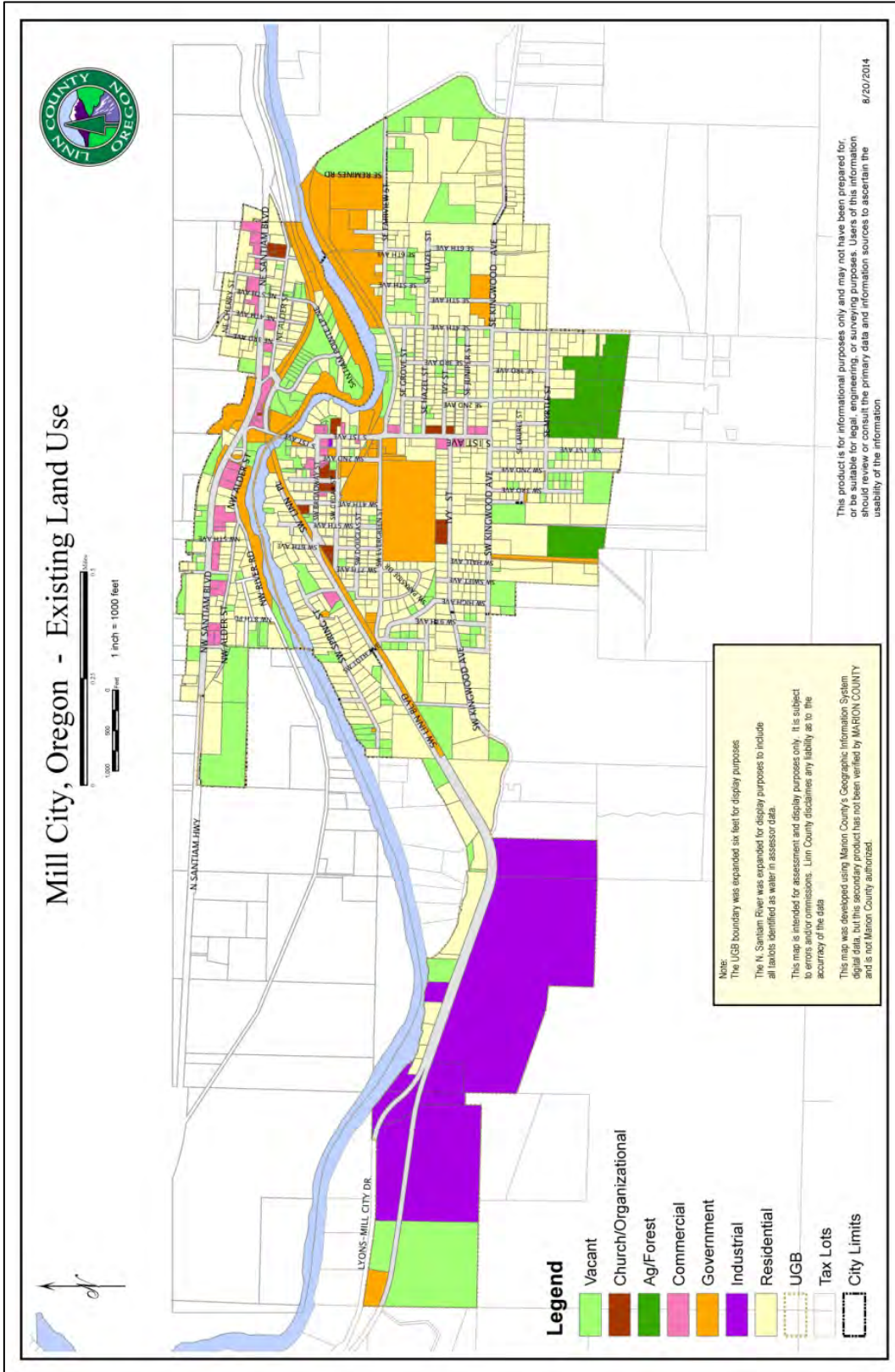
| Existing Land Uses | 2014 Acres Linn County | 2014 Acres Marion County | 2014 Totals | % of Total |
|--|---------------------------|-----------------------------|-------------|------------|
| Residential | 302.75 | 54.57 | 357.32 | 38.7% |
| Commercial | 4.13 | 10.42 | 14.55 | 1.6% |
| Industrial | 138.27 | | 138.27 | 15.0% |
| Other Non-Residential (Church, Organizational, etc.) | 4.16 | .93 | 5.09 | 0.6% |
| Public: Education & Government | 69.65 | 25.44 | 95.09 | 10.3% |
| Streets, Right-of-Way and N. Santiam River | 114.57 | 33.84 | 140.54 | 16.0% |
| Agricultural/Forest | 25.59 | | 25.59 | 2.8% |
| TOTAL DEVELOPED | 659.12 | 125.20 | 776.45 | 85.0% |
| Vacant | 102.20 | 36.56 | 138.76 | 15.0% |
| TOTAL | 761.32 | 161.76 | 923.08 | 100.0% |

Source: Linn County GIS, August 2014.

Residential lands occupy 39% of the land in the Mill City UGB. This is the highest total for all land use and includes all urban residential home sites and rural residential parcels on large lots outside the city limits. Industrial uses, primarily the two major timber companies Frank Lumber and Freres Plywood Plant on Lyons-Mill City Drive at the west end of the UGB, occupy 15% of the land in the UGB. Commercial and other nonresidential uses make up 2% of the land use. Public uses occupy 10% of the UGB. Public lands are primarily school sites, city parks and open space along the North Santiam River. Streets and right-of-way, the North Santiam River, agricultural/forest and vacant lands occupy the remaining 33% of the UGB.

Map LU-4 graphically shows the distribution of land uses in the City in the year 2014.

Map LU-4
Existing Land Uses -- 2014



4.4 Buildable Lands

Under statewide planning Goal #2 “*Land Use Planning*” all cities in Oregon must demonstrate that they have a 20-year supply of available land that can be developed for residential, commercial, industrial, and public uses. Oregon Administrative Rules, OAR Chapter 660, establishes administrative procedures for the completion of the buildable lands inventory and analysis.

In 2010-2011, Ryan Taylor, a graduate student intern from the University of Oregon’s Resource Assistance for Rural Environments (RARE) Program completed a buildable lands analysis for Mill City.² The City updated the report in 2015 to incorporate economic data from the 2010 Census, 2012 American Community Survey, he March 2013 county population forecasts prepared by the Oregon Office of Economic Analysis and 2014 property records for Linn and Marion Counties from the Linn County GIS database.

The *Mill City Buildable Lands Analysis Update* satisfies ORS 197.296 3(a) and (b) requirements to periodically review the City’s supply of buildable residential lands within the Mill City UGB, determine the housing capacity of the buildable lands, and complete an analysis of housing need by type and density range. The report complies with Oregon Administrative Rules OAR 660.008.0010 (Analysis of needed housing mix and densities), 660.009.00015 (Analysis of economic opportunities and Commercial/Industrial land) and 660.024.0050 (Evaluating the adequacy of the current UGB). The report provides the technical data to support policy decisions and land use actions within the Mill City UGB.

In preparation of the *Mill City Buildable Lands Analysis Update*, the City of Mill City inventoried all parcels within the UGB based on their property classification and comprehensive plan designation. The inventory identified developed parcels, what parcels have potential for redevelopment and/or infill, and what parcels are vacant and buildable. The City also identified wetlands, floodway, steep slopes and other constrained lands that are not available for development. Site visits and aerial photography was used to verify that the data contained in the county property assessment records was accurate and up-to-date. The data collection techniques, buildable land types, and classification methodology are discussed in the report.

Net buildable land was calculated by subtracting developed land, constrained lands and a 25% set aside for streets, parks and public purposes from the gross land area. The net buildable land includes vacant, infill, and redevelopable parcels that are available for development. Table LU-6 summarizes the NET buildable land in the Mill City UGB in January 2015.

Table LU-6
Mill City Buildable Land Analysis
Estimated Buildable Land Supply in the Mill City UGB

| Zoning | Vacant | Infill | Redevelop-able | Buildable Acres | Set-aside for Public Use (25%) | Net Buildable Land |
|--------------|---------------|--------------|----------------|-----------------|--------------------------------|--------------------|
| Residential | 107.27 | 46.29 | 16.37 | 169.93 | (42.48) | 127.45 |
| Commercial | 24.07 | 3.67 | 2.45 | 30.19 | (7.55) | 22.64 |
| Industrial | 38.44 | 24.59 | 5.63 | 68.66 | (17.17) | 51.50 |
| Total | 169.78 | 74.55 | 24.45 | 268.78 | (67.20) | 201.59 |

Sources: City of Mill City Buildable Lands Analysis Update, 2015. Parcel data from Linn County GIS, January 2015.

² *Mill City Buildable Lands Analysis Update*, January 2015 update, Prepared for City of Mill City by Ryan Taylor, Resource Assistance for Rural Environments (RARE), University of Oregon, Eugene, OR, 97403-1209 in 2010 and updated by the City of Mill City in January 2015.

The buildable lands analysis report concludes the City of Mill City has an adequate supply of buildable land inside the Mill City Urban Growth Boundary to serve the needs of the community during the 20-year planning period from 2014 to 2035 to serve a projected population of 2,461 people by the year 2035.

Tables LU-6 and LU-7 summarize information from the buildable lands analysis report and show there is an adequate supply of land in the residential, commercial and industrial plan designation areas to meet the needs of the community.

Table LU-7
Buildable Lands Analysis
Comparison of Land Need and Land Supply through 2035
In Mill City Urban Growth Boundary

| Plan Designation | Net Buildable Land Supply (Available Acres) | Buildable Land Needed (Acres) | Surplus Buildable Land in Mill City UGB (Acres) |
|----------------------|---|-------------------------------|---|
| Residential | 127.45 | 47.60 | 79.85 |
| Commercial | 22.64 | 5.43 | 17.21 |
| Industrial | 51.50 | 27.50 | 24.00 |
| TOTAL ACREAGE | 201.59 | 80.53 | 121.06 |

Sources: City of Mill City Buildable Lands Analysis Update, 2015. Parcel data from Linn County GIS, January 2015.

Residential Land Use

Residential land use accounts for 39% of all land within the Mill City UGB (see Table LU-5). The residential land use category contains all types of housing: single family houses, multiple family buildings, and manufactured homes. Table LU-8 presents a breakdown of the type of existing housing types in Mill City's UGB. Residential units are distributed fairly uniformly through the city, with the oldest housing stock in the downtown and central part of the city. Newer housing is found in the southern part of the City near Kingwood Avenue and in the Village at Santiam Pointe development on the north side of the N. Santiam River.

Table LU-8
Residential Housing Mix in Mill City UGB

| Residential Type | No. of Housing Units | Percent of Total Units |
|--------------------|----------------------|------------------------|
| Single Family | 615 | 77% |
| Manufactured Homes | 95 | 12% |
| Duplex | 42 | 5% |
| Apartments | 45 | 6% |
| Total | 797 | 100% |

* Source: City of Mill City Buildable Lands Inventory (Housing inventory, March 2010)

The City is required to provide opportunities for the construction of various types of housing during the 20-year planning period. The buildable lands analysis anticipates the residential housing mix will remain the same over the next twenty years, with 80% of new structures built as single family dwellings and manufactured homes and 20% as multi-family dwellings. Of the 127.45 acres of buildable land available, 41 acres are zoned R-1 and SPD (low density residential), 24 acres are zoned R-2 (medium density residential) and 62 acres are zoned rural residential and may be rezoned to either R-1 or R-2 when annexed to the City. Table LU-9 provides information on buildable residential land inside the UGB by zoning district.

Table LU-9
Buildable Lands by Residential Zoning District

| Zoning District | Available Buildable Acres |
|---------------------------|---------------------------|
| Single Family Residential | 33.61 |
| Special Planned District | 7.63 |
| Multi Family Residential | 24.45 |
| Rural Residential | 61.76 |
| Total | 127.45 |

Commercial Uses

Historically, Mill City served as a sub-regional business and service center for the communities of the North Santiam Canyon. From 1900 through the mid-20th Century Mill City had a traditional small town mix of retail, service, entertainment and professional businesses that served residents of Mill City, Gates and nearby rural areas. The vitality of Mill City’s commercial core has eroded since 1960. A myriad of economic forces changed the local economic structure. Mill City’s population was stagnant for four decades. The completion of the Detroit Dam construction projects, the downsizing and modernization of local wood products industries, the completion of Hwy 22 improvements to Stayton and Salem and the ease of commuting to jobs in Stayton and the Willamette Valley, the concentration of retail centers and services in larger cities, the advent of the Internet and general societal changes all contributed to the decline of Mill City’s commercial base.

Table LU-10
Commercial Land Use in Mill City

| Land Use | CH Zone (Acres) | CC Zone (Acres) | Total (Acres) |
|--|-----------------|-----------------|---------------|
| Currently in Commercial Use | 11.47 | 6.64 | 18.11 |
| Currently in Residential Use | 21.88 | 13.30 | 35.18 |
| Currently in Public or Semi-Public Use | 2.30 | 0.34 | 2.64 |
| Vacant | 20.10 | 3.97 | 24.07 |
| Vacant (Constrained - not Developable) | 3.44 | 0.00 | 3.44 |
| Total | 59.19 | 24.25 | 83.44 |

* Source: City of Mill City Buildable Lands Analysis Update and Linn County GIS January 2015 data

Despite these changes, Mill City will continue to serve as a local business, education and service center for the 5,000 to 6,000 residents of the North Santiam Canyon and will serve the traveling public along the Hwy 22 corridor. The City anticipates Mill City will continue to have selected retail stores, hospitality businesses, restaurants, professional, financial, real estate, service stations, repair and service shops and personal service businesses.

Two distinct commercial areas exist: (1) the downtown area adjacent to 1st Avenue & W. Broadway and (2) the Highway 22 corridor extending from the east city limits to the west city limits.

Downtown Commercial Area: The downtown commercial area is a mixed use area. The Santiam Canyon schools and government services are the primary employers. Several small businesses, professional services, the post office and grocery store serve as business anchors.

The City recognizes there are several challenges to revitalizing the older commercial core.

- Businesses are not centralized in one or two blocks, but scattered on both sides of the N. Santiam River along Wall Street, 1st Avenue and SW Broadway Avenue.
- Traffic volumes are lower than along the Hwy 22 corridor.
- Existing buildings along Hwy 22 and in the older downtown commercial core are in need of repair and rehabilitation.
- Residences occupy more than one-half of the 23 acres zoned Central Commercial.
- Limited job base nearby.
- Proximity and ease of access to Salem, Stayton and resultant retail/sales leakage.

Despite the challenges, the City concludes there are opportunities to strengthen this business district as a focal point and heart of the community:

1. **River Amenities.** The North Santiam River is an outstanding natural amenity running through the City. The river, Mill City Falls, public parks, recreational trails and the adjacent historical attractions on Wall Street can serve as centerpieces for public gathering places and a niche commercial area.
2. **Education and Government Center.** Mill City's schools and local government buildings are clustered together. The Santiam Canyon Schools (K-12), City Hall, Fire District and public parks are within walking distance of each other. The community can capitalize on the multitude of community activities and events to attract residents and visitors to the community.
3. **Redevelopment and Infill.** Since Mill City initially developed as a company town and in the 1940's and 1950's as a residential community for workers during the Detroit Dam construction, most of the older homes are small and utilitarian in design. Residences are intermixed with commercial uses. There are opportunities to rehabilitate/renovate selected buildings, make façade improvements, add streetscape elements and construct new buildings that are pedestrian friendly and capitalize on the small-town feel. Redevelopment poses some challenges. It will require consolidation of small parcels, demolition of existing structures and frontage improvements; all of which will involve significant private investment and public support.

Highway 22: The Highway 22 commercial corridor is located on Oregon 22, the state highway that links Salem and the mid-Willamette Valley with Bend and central Oregon. Mill City's highway commercial area consists of highway-oriented businesses and residential uses, primarily on adjacent side streets. Hospitality and service businesses cater to the traveling public, recreational visitor and area residents. In 2014 individual businesses included a coffee shop, restaurants, convenience stores, a sporting goods store, gas station, real estate office, bank, building supply and several professional services.

Mill City’s location 30 miles east of Salem makes it a convenient stopping point for travelers headed to the North Santiam River and Detroit Lake recreational venues and to those traveling to central Oregon. With community growth and increased traffic on Hwy 22, there will be opportunities to provide goods and services to serve the traveling public and recreational visitors as well as to provide basic services to meet the needs of local residents.

Commercial Land Needs Projections: The City’s 2015 buildable lands analysis update estimates there is a need for 5.43 acres of buildable commercial land by the year 2035. Table LU-11 shows this need can be met from the current supply of 22.64 acres of vacant, infill and redevelopable land that is zoned for commercial use in the Central Commercial (CC) and Highway Commercial (CH) zones. See Chapter 6 “Economy” for a detailed review of the commercial land needs analysis.

Table LU-11
Buildable Commercial Lands
Net Buildable Land by Plan Designation/Land Type

| Zoning | Vacant | Infill | Redevelop-able | Net Buildable Acres | Set-aside for Public Use (10%) | Buildable Land |
|-------------------------|--------------|-------------|----------------|---------------------|--------------------------------|----------------|
| Central Commercial | 3.97 | 0.30 | 2.45 | 6.72 | (1.68) | 5.04 |
| Highway Commercial | 20.10 | 3.37 | 0 | 23.47 | (5.87) | 17.60 |
| Total Commercial | 24.07 | 3.67 | 2.45 | 30.19 | (7.55) | 22.64 |

* Sources: City of Mill City Buildable Lands Analysis Update and Linn County GIS January 2015 data

Industrial Uses

In 2014, industrial uses occupied 138 acres of land inside the Mill City UGB, with the majority occupied by two wood products industries on Lyons-Mill City Drive. The City has designated 226 acres for future industrial use at the west end of the UGB. The remaining 88 acres is available for development, but approximately 40 acres of the available industrially zoned land is constrained by the BPA transmission lines, steep slopes and wetlands on the sites. There are 51.50 acres of buildable industrial land in the Mill City UGB.

Industrial Land Needs Projections: The City’s 2015 buildable lands analysis update estimates there is a need for 8.5 acres of buildable industrial land by the year 2035. Table LU-12 shows the projected need for industrial land can be met from the current supply of 51.50 acres of vacant, infill and redevelopable land that is zoned for industrial use in the Limited Industrial (LI) and Heavy Industrial (HI) zones. See Chapter 6 “Economy” for a detailed review of the industrial land needs analysis.

Table LU-12
Buildable Industrial Lands
Net Buildable Land by Zoning /Land Type

| Zoning | Vacant | Infill | Redevelop-able | Net Buildable Acres | Set-aside for Public Use (10%) | Buildable Land |
|-----------------------------|--------------|--------------|----------------|---------------------|--------------------------------|----------------|
| Limited Industrial (LI-UGA) | 7.74 | 12.53 | 5.63 | 25.90 | (6.48) | 19.43 |
| Heavy Industrial (HI-UGA) | 30.70 | 12.06 | 0 | 42.76 | (10.69) | 32.07 |
| Total Industrial | 38.44 | 24.59 | 5.63 | 68.66 | (17.17) | 51.50 |

* Sources: City of Mill City Buildable Lands Analysis Update and Linn County GIS January 2015 data

Public Uses

Public uses provide the residents of Mill City with access to government, education, recreation, information, and open space. Public land uses include the parks, city hall, and the schools. Public uses occupied 95 acres of land in 2014. Lands are zoned Public (P) promote their continued use by the public. The City's park master plan and public facilities plans recommend the acquisition of sites for neighborhood parks, open space and public facilities in new neighborhoods as development occurs and the need arises.

Streets

Street rights-of-way are the third largest land use area in Mill City. The right-of-way is designed to provide space for streets, bike lanes, sidewalks, trails, alleys and utilities. Rights-of-way in Mill City vary from 40 to 60 feet wide. The old railroad right-of-way and several unimproved streets are planned for recreational trails.

Vacant and Agriculture Uses

Within the urban growth area outside the city limits of Mill City, some parcels are used for hobby farms, commercial agriculture or forestry uses. The topography, climate and soils in the North Santiam canyon are not as conducive to agriculture as the Willamette Valley, due to smaller lots on flat land. In 2014, 194 acres (18%) of the land inside the Mill City UGB is vacant or in agricultural/forest use.

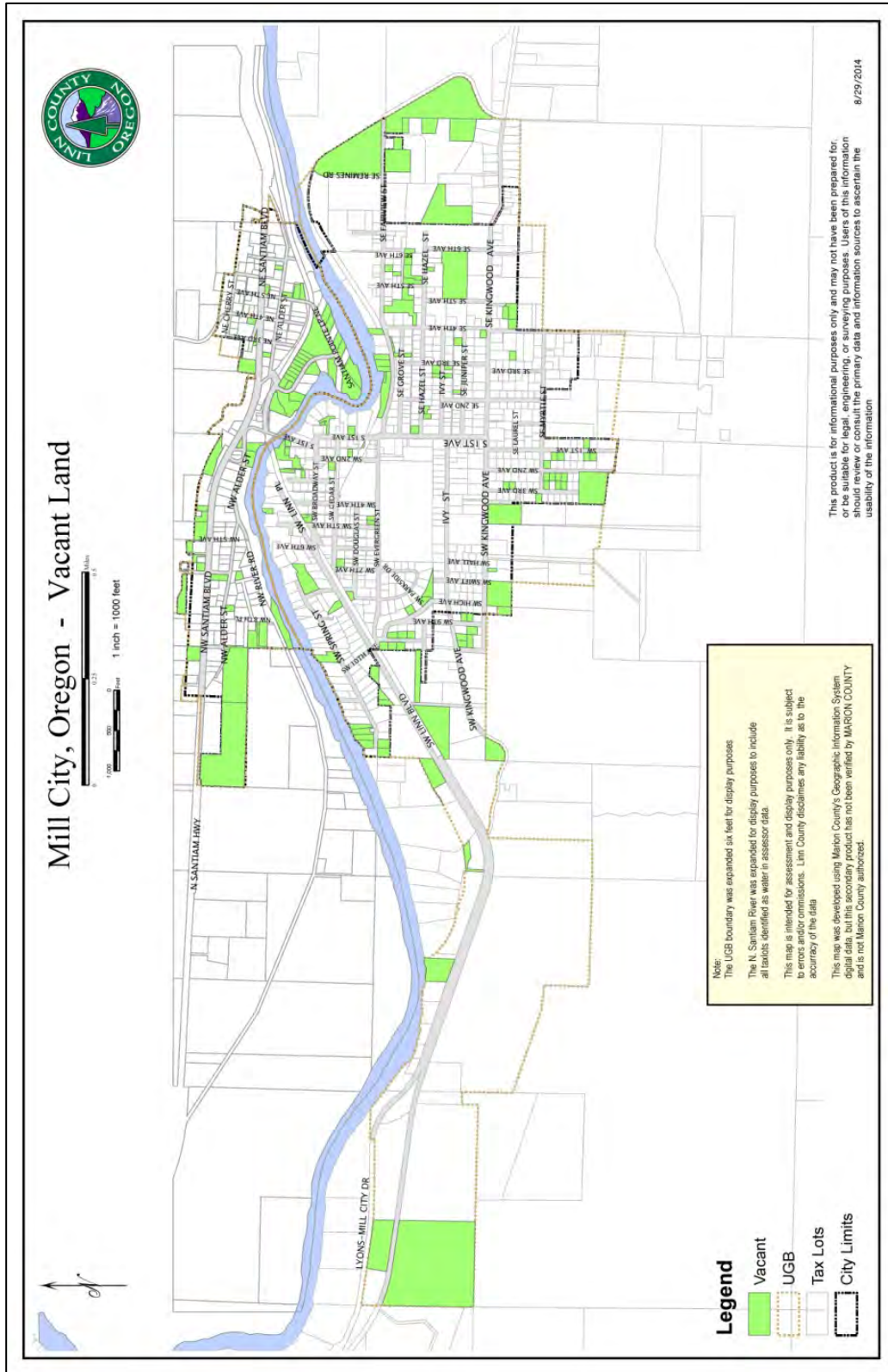
Vacant land includes all parcels which have not been developed, where no use is now present and no structure exists. Table LU-13 includes all vacant parcels of land in the City and UGB. It does not include partially developed parcels. Map LU-5 shows vacant land is found near the borders of the city, though smaller vacant and undersized parcels are found throughout the city.

Table LU-13
Vacant Lands by Zoning District

| Zone | City | UGB | Total |
|--------------|-------------|------------|---------------|
| Residential | 65.22 | 49.08 | 114.30 |
| Commercial | 26.24 | 1.28 | 27.52 |
| Industrial | 0 | 52.72 | 52.72 |
| Total | | | 194.54 |

* Source: Linn County GIS Data, January 2015

Map LU-5
VACANT LAND - 2014



4.5 Public Facility Plans and Land Use Implementation Regulations

The City has adopted other special ordinances, land use implementation measures and plans to protect natural resources, manage flood hazards, inventory and preserve historic resources and plan for public facility improvements. Some of the special ordinance and facility master plans adopted by the City include, but are not limited to, the following ordinances, plans and documents.

Table LU-14
**SPECIAL ORDINANCES, LAND USE IMPLEMENTATION MEASURES
 and PUBLIC FACILITY PLANS**

| Mill City Code Title and Chapter | Name and Description of Source Documents | Notice of Adoption DLCD File # |
|----------------------------------|---|--|
| 15.12 and 17.40 | Historic Landmarks and Preservation. (1991) (Source Document: Mill City Historic Resource Inventory) | 09-04-1990 Periodic Review |
| 15.16 | Flood Hazard Regulations (2010) (Source Document: Flood Insurance Study (FIS) for Linn County , dated September 29, 2010, with accompanying flood insurance rate maps (FIRM) or digital flood insurance rate maps (DFIRM)) | DLCD File 002-10 |
| 16 | Land Divisions (original 1998 w/ updates through 2014) | DLCD File 001-00 DLCD File 001-07 DLCD File 001-10 |
| 17 | Zoning (original 1998 w/ updates through 2014) | DLCD File 001-14 |
| 17.72 | Wetlands Protection (2011) (Source Document: <i>Mill City Local Wetlands Inventory</i>) | DLCD File 001-14 Submit Plan to DLCD |
| Public Facility Plans | Name and Date of Adoption | Notice of Adoption DLCD File # |
| Parks | <i>Mill City Parks Master Plan</i> (2014) | Not required to be submitted |
| Regional Trails | <i>Canyon Journeys Trail Plan</i> (2006) | DLCD 006-05 |
| Storm Drainage | <i>Mill City Storm Drainage Master Plan</i> (2008) | DLCD 002-07 |
| Water | <i>Mill City Water Master Plan</i> (1999, Update 2003) | Not submitted by the City |
| Transportation | <i>OR 22 Access Management Plan in Mill City</i> (2008) | DLCD File 001-07 |
| Transportation | <i>Kingwood Area Neighborhood Street Plan</i> (2008) | DLCD File 005-05 |
| All Utilities | <i>Public Works Design Standards 1998</i> | Not required to be submitted |

LAND USE GOALS AND POLICIES

STATEWIDE PLANNING GOAL 2 – LAND USE PLANNING: To establish a land use planning process and policy framework as a basis for all decision and actions related to use of land and to assure an adequate factual base for such decisions and actions.

GENERAL LAND USE GOALS AND POLICIES:

- Goal LU-1:** To create a vision of Mill City’s future that is included in the Comprehensive Plan and accompanying technical studies and facilities plans in order to promote the development of a livable community.
- Goal LU-2:** To strive to provide greater community self-sufficiency for business, employment, education, entertainment, and social activities.
- Goal LU-3:** To provide an adequate supply of buildable land inside the city limits that is zoned for residential, commercial, industrial and public uses to meet the projected needs of the City for the next 20 years.³
- Goal LU-4:** To plan for the development of land outside the city limits and inside the Mill City Urban Growth Boundary (UGB).
- Policy LU-1 The City’s Zoning Code provides residential, commercial, industrial and public zoning districts that are consistent with the Mill City Comprehensive Plan.
- Policy LU-2 The City will review and update the Mill City Zoning Map every seven years beginning in 2022 to ensure that there is an adequate supply of buildable land inside the City zoned for residential, commercial, industrial and public uses.
- Policy LU-3 The City will continue to update its land use regulations to provide clear and objective standards for the review of development proposals.
- Policy LU-4 The City will notify affected federal, state and local agencies and private utilities of proposed development proposals and request comments prior to making a land use decision.

RESIDENTIAL LAND:

- Goal LU-5:** To develop and maintain residential neighborhoods that are pleasant, safe, attractive and healthful.
- Goal LU-6:** To provide opportunities for a mix of housing types and lifestyles within the economic capabilities of the present and future citizens of Mill City.

³ HB 2254 from 2013 legislative session calls for cities to provide sufficient buildable lands for a 14 year period and a serviceable (water/sewer) supply of buildable land for a minimum 7-year period. HB 2254 takes effect when Oregon Administrative Rules are adopted by or before January 2016.

- Policy LU-5 Multi-family residential development will be encouraged to locate near arterial and collector streets where adequate streets and larger capacity water and mains and storm drainage facilities are available and in close proximity to parks and open spaces.
- Policy LU-6 Mill City will encourage redevelopment of existing properties and the in-filling of vacant residential land where public facilities and services are available.⁴
- Policy LU-7 Mill City will continue to participate in and seek funding for housing rehabilitation and repair programs which will prolong the usability of existing residential buildings.
- Policy LU-8 The City will utilize the Special Planned Development zone for properties with constrained lands, unique natural features or sites that warrant special design consideration. The SPD zone is intended for projects which utilize design elements to create residential neighborhoods or mixed use developments that will enhance the livability of the entire community.

COMMERCIAL LANDS:

Goal LU-7: To develop the downtown core and highway commercial areas which are convenient to the residents of Mill City and the North Santiam Canyon.

- Policy LU-9 Mill City will encourage redevelopment of the City’s historic downtown core.
- Policy LU-10 The City will enhance and upgrade the Wall Street commercial area and its nearby public facilities (parks, recreational trails, river access and historic buildings) adjacent to the North Santiam River for the benefit and enjoyment of local residents and visitors to Mill City.
- Policy LU-11 Commercial development along Highway 22 will be encouraged so it is convenient for the Mill City area residents and can also serve travelers through the Santiam Canyon.
- Policy LU-12 Mill City will seek funding to establish a commercial building rehabilitation and repair program.
- Policy LU-13 Commercial development shall be compatible with the natural environment. Site plan review standards will be included in the zoning code that require site amenities, landscaping, lighting and natural features be integrated into the project design.

INDUSTRIAL LAND:

Goal LU-8: To provide land for industrial development in order to create opportunities for a diversified employment base.

- Policy LU-14 The City will encourage industrial development at the west end of the Mill City UGB where access to Linn Boulevard and the rail service are available.
- Policy LU-15 Mill City will strive for industrial diversification and will coordinate with the economic development and revitalization efforts of local, regional and state economic agencies.

⁴ The City of Mill City works with the Community Services Consortium to administer the City’s housing rehabilitation program. (Move this policy to the Housing Chapter when it is completed).

Policy LU-16 Industrial development shall be compatible with the natural environment. Site plan review standards will consider natural site features, public facilities, and site amenities integrated in the design.

PUBLIC FACILITIES

(Move to Public Facilities Chapter when completed in 2015 Update – Part 2)

Goal PF-1: To provide quality government buildings, schools, parks and utility facilities in order to serve the citizens of Mill City.

COORDINATED DEVELOPMENT OF LOCAL PUBLIC FACILITIES

Policy PF-1 The City of Mill City will coordinate capital improvement programs with the Santiam Canyon School District 129J and the Mill City Rural Fire District.

Policy PF-2 Mill City will secure sites for future parks, open spaces, public buildings and city public works facilities in areas of the City which can best serve the needs of the citizens of the community.

PARKS AND OPEN SPACE

Policy PF-3 The City will work with other public agencies to preserve open space areas in order to enhance the quality of life and protect natural resources.

Policy PF-4: Parks Master Plan. The Mill City Parks Master Plan will be used as a guide for park land acquisition, the development of new parks and recreation facilities and for the improvement of existing parks within the City of Mill City.

Policy PF-5: Community Parks. The City will seek to acquire residential properties on SE Fairview Street adjacent to Kimmel Community Park in order to expand the park. Acquisition should occur when the properties become available for purchase.

Policy PF-6 Neighborhood Parks. The City will develop a series of pocket parks and neighborhood parks to serve residential neighborhoods.

Policy PF-7 Youth Recreation Facilities. The City will seek to include community-based recreational fields and facilities in city parks to serve local youth and families. The addition of basketball courts, multi-purpose fields, a skate park, baseball/softball fields and similar facilities are a priority.

Policy PF-8 Public Access to the North Santiam River. Whenever possible, the City will acquire land and provide recreational trails, overlooks, boat/rafting access points and ramps, fishing areas and natural viewing sites along the North Santiam River. The city will explore the possibility of providing additional public access to the North Santiam River.

Policy PF-9 Railroad Recreational Trail. The City will develop and maintain the railroad recreational trail along the North Santiam River as a trail for pedestrians and non-motorized vehicles. The recreation trail is a cornerstone of Mill City's park system and should have pocket parks, neighborhood parks and recreation sites interspersed along the trail.

Policy PF-10 Future Park Sites. The Mill City Parks Master Plan will identify general locations for future neighborhood parks. In order to acquire specific properties, the City is encouraged to work with existing property owners to acquire property from a willing seller. The City

may purchase the property, obtain either a right-of-first refusal or enter into an agreement for future acquisition.

Policy PF-11 Dedication of Land for Parks and Open Space.

- a. The City will include park dedication standards and requirements in the Mill City Subdivision Code to allow the City to require dedication of land as part of a development project or to enable the City to acquire park land and open spaces concurrently with new development.
- b. Dedication of less than one-half acre for a neighborhood park is discouraged unless it is positioned on the edge of a subdivision and can be combined with adjoining vacant land as it develops.
- c. Park names may recognize the donor, honor a historical community figure or refer to a geographic site. The planning commission will recommend names of new parks to the city council, with preference given to the donor's wishes.

Policy PF-12 Coordination with State and County Parks and Recreation Facility Plans. The City will coordinate the city's park and recreation facility planning with plans for Marion County, Linn County and the Oregon Statewide Comprehensive Outdoor Recreation Plan (SCORP).

HISTORIC AND CULTURAL RESOURCES

Move to Historic Resources Chapter when completed in 2015 Update – Part 2

Goal HR-1: To expand community and regional awareness of Mill City's historic contributions to the settling of the North Santiam Canyon.

Policy HR-29 It is important for the City to recognize and celebrate its heritage. The City will support the North Santiam Historical Society (NSHS) efforts to inventory cultural resources, historic sites and historic structures within the community. The NSHS and Planning Commission will meet annually to discuss the recognition and protection of historic resources within the City.

Policy HR-30 The Mill City Register of Historic Landmarks in the Comprehensive Plan is the official city list of significant historic resources which warrant preservation.

Policy HR-31 Significant historic resources will be protected from alteration and demolition through the implementation of review procedures established in the Mill City Zoning Ordinance.

Policy HR-32 Development of historic resource inventories is a continuing process and other resources will be listed on the inventory as data on these resources is collected.

Policy HR-33 There are a number of historic resources in Mill City which are eligible for the State of Oregon and National Historic Registers. The City encourages the North Santiam Historical Society to inform property owners of this fact and provide them with information on available incentives.

Policy HR-34 The North Santiam Historical Society and citizen groups will continue to work together to preserve and enhance the historic railroad bridge and railroad depots which house the Canyon Life Museum. These facilities were integral to the early development of Mill City.

Pages 37 & 38 Reserved for Expansion

Chapter 5

MILL CITY AND THE NATURAL ENVIRONMENT

Mill City is located 34 miles east of Salem in the valley of the North Santiam River. The City is divided by the scenic North Santiam River; north of the river is Marion County and south of the river is Linn County. The Old Cascade Mountains rise 1500 feet above the city to the north and south. To the east, the newer peaks of the Cascade Range with their snow fields are visible from City Hall.

Ancient lava flows created the forested hills that surround the community and glacial moraines filled the valley floor before the river cut channels through the glacial deposits. The North Santiam River descends 92 miles from its origin at Santiam Lake east of Detroit to its connection with the South Santiam River and discharge into the Willamette River near Jefferson. The North Santiam River and its tributaries drain a 764 square mile area on the west side of the Cascade mountain range. The river travels through the North Santiam Canyon communities of Idanha, Detroit, Gates, Mill City and Lyons/Mehama before it reaches Stayton and enters the mid-Willamette Valley.

Oregon Highway 22 is one of Oregon's major highways through the Cascade Mountains. West of the city Highway 22 connects Mill City to the nearby communities of Lyons, Mehama, Stayton and Aumsville before reaching Interstate 5 and connecting to Salem and the major population centers of the mid-Willamette Valley. East of Mill City Highway 22 travels 100 miles east through the North Santiam Canyon, climbs to the top of the Cascade Range at Santiam Pass and then descends to Sisters and Bend in Central Oregon. Map NR-1 shows the geographic location of Mill City.

The river, the mountains and the natural resources they provide have helped shape the community. Mill City was settled at the end of the 19th century by pioneers and mill owners who harvested the large stands of pristine Douglas Fir forests. In the early 1900's the Hammond Lumber Company was the largest mill in the Pacific Northwest and two wood products firms continue to be the major employers in the region. Detroit Dam and Big Cliff Dam, 15 miles east of Mill City, were developed in the 1950's as part of a series of flood control and hydroelectric generation facilities in the Willamette River basin. Detroit Lake, a large storage reservoir, was created by the dam projects and is the center of the summer recreation services and is the gateway to winter recreation services in the North Santiam Canyon. Detroit Lake, the North Santiam and Breitenbush rivers and nearby forest lands attract fisherman, boaters, rafters and outdoor recreation enthusiasts throughout the year.

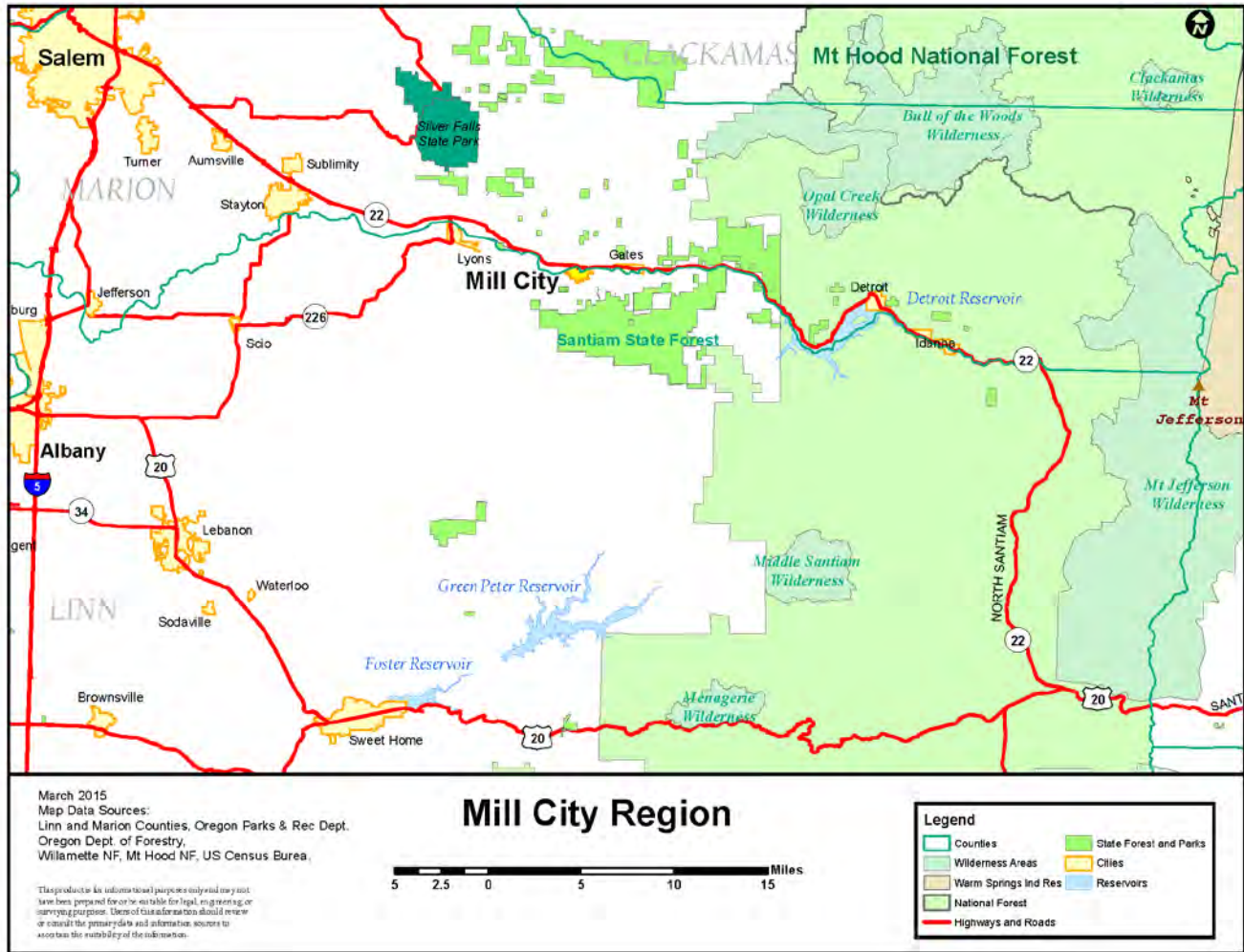
5.1 Climate

Mill City enjoys a moderate climate with characteristics of a marine coastal climate during the winter months, punctuated with rainy and overcast days. During the summer, the climate is similar to a warm, dry Mediterranean climate with low humidity. Mill City has normal summer daily high temperatures ranging from 70° to 85° Fahrenheit, with day-time highs typically reaching 80° to 85° F in July and August. Most summers have fewer than ten days with a daily high temperature over 90° F. Winters are mild with an average day-time temperature of 42° to 45° F. Average night-time low temperatures are in the 30's during the winter months.

Mill City receives 60 to 70 inches of precipitation a year, with 75% of the precipitation falling between October and April. Mill City can expect approximately 125 to 150 days with some rain each year. Snow is infrequent, but snowfall may occur from late November to March and seasonal snowfall totals of 6 to 12 inches per year. Local residents report the winter weather in Mill City is nicer than that experienced in the flat lands of the Willamette Valley. The difference between the weather in Mill City and the Willamette Valley can be attributed to Mill City's elevation. Inversion layers of cooler air that aid in the development of fog and freezing rain is

trapped at lower valley elevations, but not in Mill City. Fog and freezing rains which create problems for valley residents are infrequent in Mill City. Mill City on the average will experience more sunny days than cities located on the valley floor of the Willamette Valley.¹

Map NR-1
Mill City's Geographic Location



5.2 Air Quality

Air quality in Mill City is generally good. The air flow of the North Santiam Canyon can usually be counted upon to move air pollution out of the Mill City area. Air quality in western Oregon is impacted by urban and rural activities. Vehicle emissions, industrial emissions, wood stove smoke and the burning of vegetation and

¹ Sources: Accuweather, USA.com, the Oregon Climate Center and the *Marion County Natural Hazards Mitigation Plan*, 2005 - Map 2 "Precipitation"

debris, as well as natural sources such as air borne dust and smoke from wildfires add small particulates to the air that absorb and scatter light.²

However, because of the physical shape and dimension of the Willamette Valley, periods of poor air circulation brought on by inversions and other weather phenomena can cause pollutions to become trapped, resulting in slow dissipation and less than clean fresh air. Trapped air is cleared out when winds push air up the river valleys toward the Cascade Mountains.

The Oregon Department of Environmental Quality (DEQ) Air Quality Division is responsible for protecting Oregon's air quality. DEQ monitors air pollution to ensure that communities meet the national ambient air quality health standards (NAAQS). Air pollutants of greatest concern in Oregon are:

- Ground-level **ozone**, commonly known as smog
- Fine particulate matter (mostly from wood smoke, other combustion sources, cars and dust) known as **PM2.5** (2.5 micrometers and smaller diameter)
- Hazardous air pollutants (also called **Air Toxics**)

Overall, air quality in the Willamette Valley has improved over the past three decades. From 1985 to 2010, DEQ data shows air quality in western Oregon's mid-Willamette Valley cities has improved, with lower particulate and carbon monoxide levels and steady ozone levels.³

DEQ provides several tools for monitoring air quality in the Willamette Basin including a daily Air Quality Index (AQI) reading by city and county for particulate matter, carbon monoxide, and ozone. Particle pollution is often highest during the coldest times of the day, typically in the evening and early morning. DEQ provides air quality health advisories to the public when the AQI reaches levels that are classified as “unhealthy for sensitive groups” or “unhealthy”.

The City of Salem is the closest community with a year-round air quality monitoring station. DEQ has a seasonal air quality monitoring station in Lyons to track summer air quality at the west end of the North Santiam Canyon. DEQ's 2013 Annual Air Quality Report shows that air quality index for Lyons “Good” 91 of the 92 days from July to September 2013.⁴ The AQI did not show any days in 2013 where air quality was identified as unhealthy.

Air quality in Mill City and the mid-Willamette Valley has historically been negatively impacted by smoke from forest fires, slash burning and summer agricultural field burning to remove straw and stubble from grass fields. Between 1991 and 2009, the Oregon Department of Environmental Quality phased out most agricultural field burning in the Willamette Valley. Implementation of these restrictions has significantly reduced the number of days when smoke from field burning impacts local air quality. Unfortunately, Mill City's air quality continues to be negatively impacted by the remaining field burning which occurs. In 2009, the Oregon legislature authorized annual burning of up to 15,000 acres of bent grass and fine fescue fields in the Silverton hills area north of

² Oregon State University, Institute for Natural Resources, Willamette Basin Explorer. [Air and Air Quality | Willamette Basin Explorer](#)

³ 2010 Oregon Air Quality Summaries, Oregon Department of Environmental Quality, June 2011. <http://www.deq.state.or.us/aq/forms/2010annualReport.pdf>

⁴ 2013 Oregon Annual Air Quality Report, Oregon Department of Environmental Quality, July 2014, pp. 3 and 60. <http://www.deq.state.or.us/aq/forms/2013AirQualityAnnualReport.pdf>

Stayton. Burning is allowed only when smoke from these fires can escape to the east into the North Santiam Canyon.

The air quality monitoring station in Lyons was established to monitor air quality in the North Santiam Canyon. City of Mill City officials question whether it accurately measures air pollution in the Mill City area. They have encouraged DEQ to establish an additional air quality monitoring station in Mill City to accurately measure the air quality impact from field burning smoke out of the Silverton hills.

5.3 Geology

The Cascade foothills surrounding Mill City are composed of older volcanic formations. The City of Mill City sits on top of an alluvial formation of coarse gravels, sands and silts. The North Santiam River has cut a channel through these alluvial deposits as it travels through Mill City. The Mill City Planning Area can be divided into three geologic units. Two of these, the Little Butte Formation and the Sardine Formation are older volcanic bedrock geologic units; the other, Quaternary middle terrace, is a surficial deposit with gravels, sands and silts. The Quaternary deposits include soils deposited by the Mill City Glacier. A brief discussion of the geology of the Planning Area is helpful in understanding foundation suitability, groundwater capabilities, and geologic hazards.

Little Butte Formation

The Little Butte Formation consists of a variety of volcanic materials including breccias (fragmented, cemented rocks), tuffs (porous rocks), ash deposits and dense, dark, basaltic flow rock. In the Mill City Planning Area the Little Butte Formation is found on exposed areas of the mountains south of the city. Weathering of the Little Butte Formation produces rubbly loams over the basaltic rocks and deep clay soils over the tuffs on gentle slopes. Deep soil and bedrock failures typify much of the breccias and tuffs.

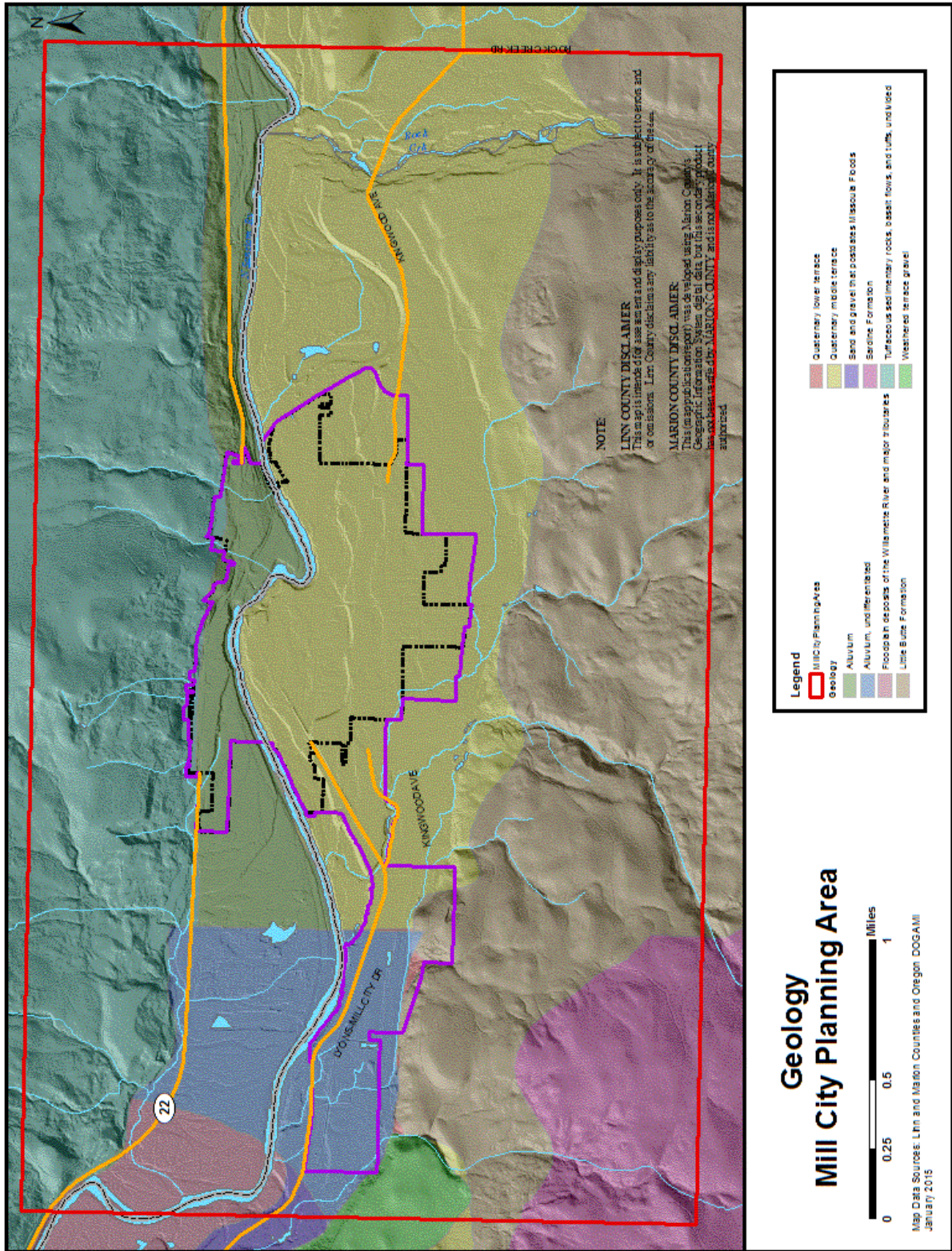
Sardine Formation

In the drainage of the North Santiam River, the Sardine Formation is dominated by steep slopes of volcanic andesitic flow rock, but also includes tuffs and breccias. The Sardine Formation is found on the Marion County side of the North Santiam River. *Geologic Restraints to Development in Selected Areas of Marion County, Oregon*, by Herbert G Slicker, Engineering Geologist, Oregon Department of Geology and Mineral Industries, describes the Sardine Formation underlying the entire Marion County portion of the Planning Area. Hazards associated with the Sardine Formation are primarily landslides, steep slope, and near surface bedrock. On ridge crests and other gentle slopes, thin ruby reddish-brown soils are common.

Quaternary Middle Terrace Deposits

The Quaternary middle terrace deposits consist of flat-lying, moderately elevated pebble gravels, and silts of fluvial (river) origin, Mill City is underlain by Quaternary middle terrace deposits as is the low slope portions of the Planning Area. The deposits contain moderately to deeply weathered gravels, sands, and silts. In well-drained regions, reddish-brown silty loam soils up to several feet thick are developed on the middle terrace gravels. In areas of exceptionally flat terrain and poor drainage, clay-rich soils develop.

Map NR-2
 Mill City Planning Area Geology



Mill City Glacier

In a paper in 1939⁵ Thomas P. Thayer identified what he believed to be glacial moraines in Mill City that extend west towards Mehama. The moraines which Thayer identified are believed to be the terraces located behind the high school. The glacier which deposited the moraines was said to have come down the Santiam Canyon originating in the High Cascades. Thayer named the event the Mill City Glacier. The age of the Mill City Glacier is believed to be early Pleistocene.

5.4 Soils

Soil information is useful as a planning tool and should be viewed in two ways:

- Agricultural suitability classes; and
- Development characteristics and/or restraints.

Agricultural Suitability

Agricultural suitability classes have been assigned to all soil types by the United States Department of Agriculture, Natural Resource Conservation Service (NRCS). In western Oregon valleys soils are predominantly Classes I, II, III and IV. Within the Mill City Planning Area soils are predominantly Class II and Class III in the gravelly loams on the south side of the North Santiam River. Lesser classes of soils are found in Marion County north of the river and on the steep forested hillsides north and south of the City in both counties.

The Land Conservation and Development Commission has mandated that soils in Classes I, II, III and IV be preserved for agricultural use, forest use and open space. Statewide planning Goal 3 “Agricultural Lands” states: *“Agricultural lands shall be preserved and maintained for farm use, consistent with existing and future needs for agricultural products, forest and open space and with the state’s agricultural land use policy expressed in ORS 215.243 and 215.700.”*

The state recognizes some development does take place on Class I-IV soils. Goal 3, state statute and the Oregon Administrative Rules which protect Class I-IV soils as prime agricultural lands were not designed to stop development within cities, but to preserve agricultural land and prevent unnecessary encroachment from urban sprawl. Goal 3 clearly states the inventory and protection of agricultural lands is not required within the urban growth boundaries of cities with acknowledged comprehensive plans.

Map NR-3 shows agricultural soil classes in the Mill City Planning Area. On the Linn County side of the North Santiam River, there are Class II and Class III soils to the east and west of the Mill City UGB within the narrow valley area.

Prior to amending the Mill City Urban Growth Boundary and converting any more of these agricultural lands to urban uses, the city will need to address the land use planning and urbanization requirements of statewide planning goals 2, 3, 4 and 14 and OAR 660-024 to justify the city’s need to add any of the Class II and III resource lands to the Mill City UGB to accommodate future growth of the city.

Development Characteristics of the Soils

All soils within the City of Mill City and the surrounding planning area have been cataloged and studied with regards to their suitability for development. The information provided herein was obtained from the U.S.

⁵ Bulletin No. #15 State of Oregon Department of Geology and Mineral Industries, 1939.

Department of Agriculture, Natural Resource Conservation Service (NRCS), formerly known as the Soil Conservation Service. Map NR-4 identifies the specific soil types by the NRCS soil code number. Table NR-1 provides a fact sheet for each soil type.

Soil characteristics which effect development are primarily related to foundation suitability. Soils are generally referred to as being very limited, somewhat limited and not limited with regards to development characteristics. A rating of not limited would indicate the soil will pose few problems for development. On the other hand, a rating very limited indicates there may be problem(s) and that prior to development the problem(s) needs to be addressed. In most cases, the NRCS soil rating indicates if development restrictions are present and also the cause of the problem. In Mill City the soil information indicates that most soils have a very limited rating for development. The restrictive characteristics are shallow water tables, slope, and shrink-swell. If a soil has a very limited rating it does not mean that development cannot take place; only the soil needs to be modified prior to development in order to avoid problems at a later time.

Drainage Capabilities of the Soils

To aid in the identification of drainage problem areas, soils information is used (Table NR-1). The soils in the Mill City UGB are gravelly loams in Linn County and volcanic soils north of the N. Santiam River. Most of the soils in the Mill City area are well drained. However, at the base of some existing slopes, e.g. SW Spring St and SE Grove Street east of 4th Avenue, there are springs and high water tables that lead to surface ponding and poor drainage. In addition, the soils in the Snake Creek / DeFord Creek wetlands and riparian area near the BPA power lines at the south edge of the UGB are important for managing peak storm water flows. The following list identifies the soils found inside the Mill City UGB with their drainage capabilities.

Soils Inside the Mill City UGB

Linn County Soils:

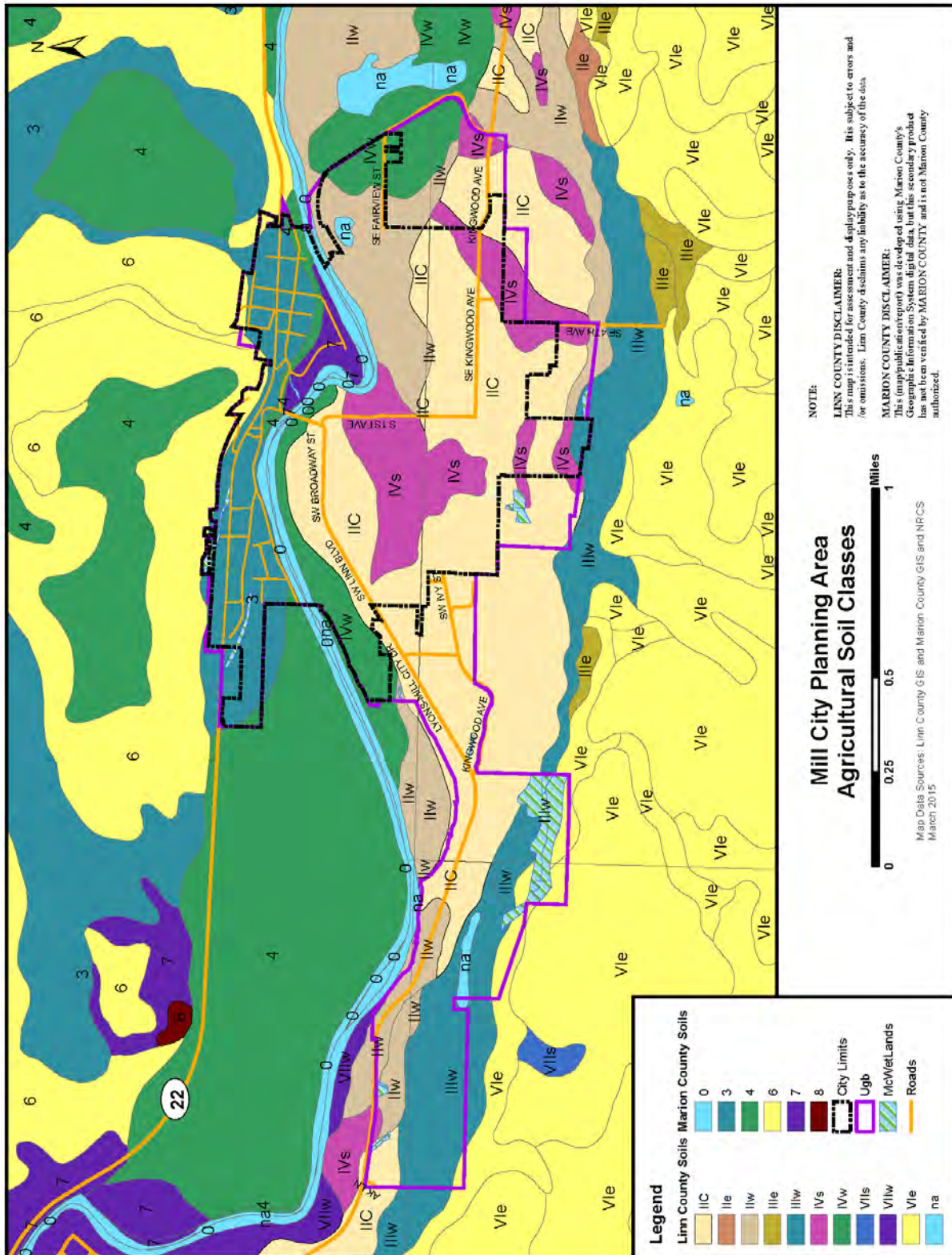
| | | |
|-----|-------------------------------|------------------------------|
| 18 | Camas gravelly sandy loam | Well drained |
| 21 | Chehalis silty clay loam | Well drained |
| 23 | Clackamas gravelly silty loam | Poorly drained |
| 26 | Coburg silty clay loam | Moderately well drained |
| 64 | Malabon variant loam | Well drained |
| 67 | McBee silty clay loam | Moderately well drained |
| 73 | Newberg fine sandy loam | Well drained |
| 74H | Ochrepts | Well drained |
| 92 | Sifton variant gravelly loam | Somewhat excessively drained |
| 98 | Waldo silty clay loam | Poorly drained |

Marion County Soils:

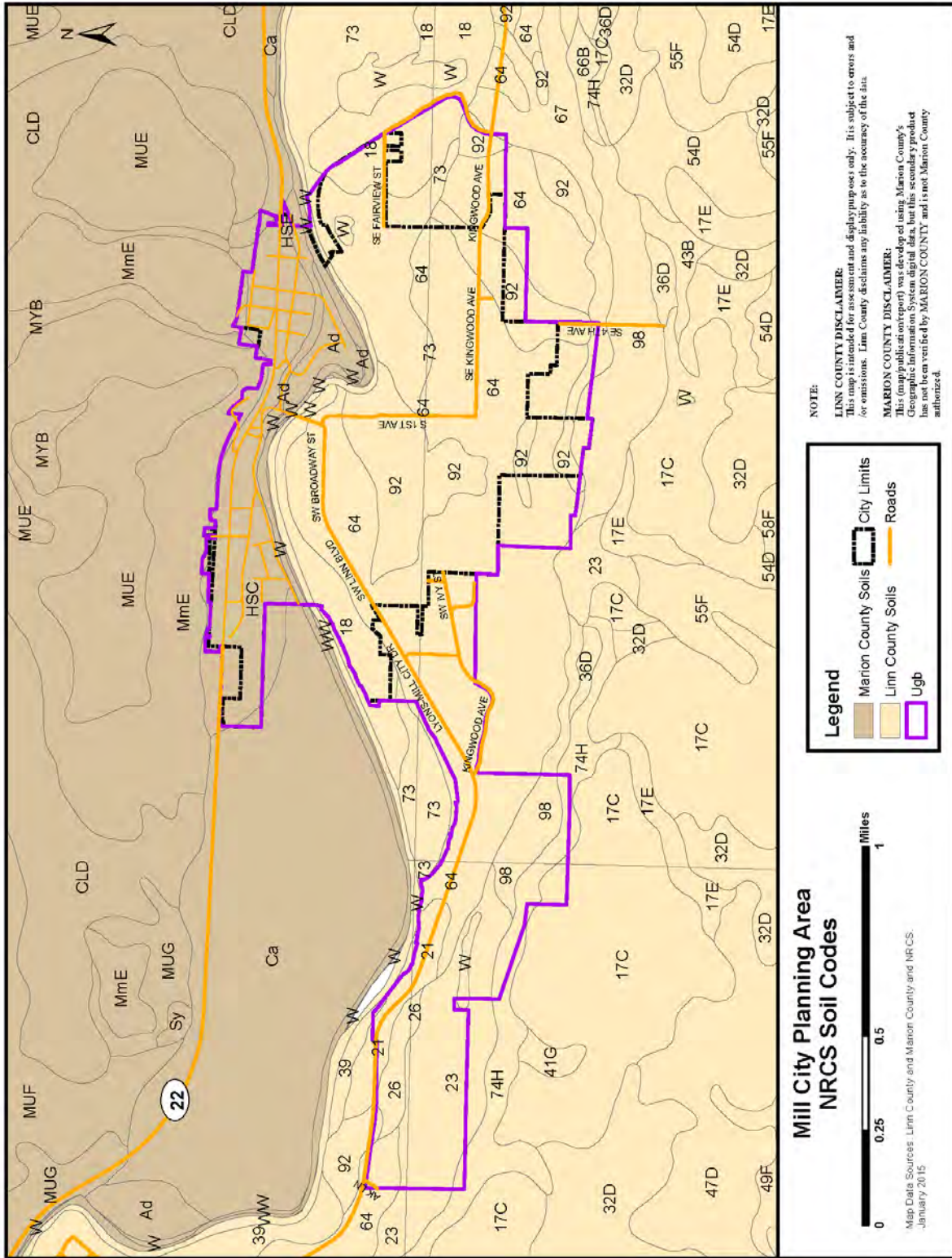
| | | |
|-----|---|-------------------------|
| Ad | Alluvial land | Somewhat poorly drained |
| Ca | Camas gravelly sandy loam | Excessively drained |
| CLD | Cumley silty clay loam | Moderately well drained |
| HSC | Horeb gravelly silt loam | Well drained |
| HSE | Horeb gravelly silt loam, gravelly substratum | Well drained |
| MmE | McCully very stony clay loam | Well drained |
| MUE | McCully clay loam | Moderately well drained |
| MYB | Minniece silty clay loam | Somewhat poorly drained |

Aside from natural conditions which affect drainage, man-made features can disrupt or improve local drainage. The Public Facilities chapter addresses the City's long term plans to improve drainage in addition to identifying areas within the city limits that have existing drainage problems.

Map NR-3
 Mill City Planning Area Agricultural Soil Classes



Map NR-4
Mill City Planning Area Soils by NRCS Soil Code



**Table NR-1
MILL CITY PLANNING AREA SOIL FACT SHEET**

| Soil Name and Code ⁶ | Agricultural Class | % Slope | Foundation Suitability | | | Shallow Excavation | Restrictions | Drainage | |
|--|------------------------------|---------|------------------------|------------------|---------------------|--------------------|------------------|---|-------------------------|
| | | | Basement | Without Basement | Commercial Building | | | | |
| Soils within Linn County inside the Mill City UGB | | | | | | | | | |
| 18 | Camas gravelly sandy loam | IV | 0-3% | Very Limited | Very Limited | Very Limited | Very Limited | Flooding | Excessively drained |
| 21 | Chehalis silty clay loam | II | 0-3% | very limited | Very Limited | Very Limited | Somewhat Limited | Flooding, ponding, low soil strength | Well drained |
| 23 | Clackamas gravelly silt loam | III | 0-3% | Very Limited | Very Limited | Very Limited | Very Limited | Wet, seasonal high water | Poorly drained |
| 26 | Coburg silty clay loam | II | 0-3% | Very Limited | Very Limited | Very Limited | Very Limited | Wet, seasonal high water, shrink-swell | Moderately well drained |
| 64 | Malabon variant loam | II | 0-3% | Not Limited | Not Limited | Not Limited | Somewhat Limited | | Well drained |
| 67 | McBee silty clay loam | II | 0-3% | Very Limited | Very Limited | Very Limited | Very Limited | Flooding, ponding | Moderately well drained |
| 73 | Newberg fine sandy loam | II | 0-3% | Very Limited | Very Limited | Very Limited | Somewhat Limited | Flooding | Well drained |
| 74H | Ochrepts, very steep | VI | 20-60 | Not rated | Not rated | Not rated | Not rated | | Well drained |
| 92 | Sifton variant gravelly loam | III | 0-3% | Not Limited | Not Limited | Not Limited | Very Limited | | Somewhat excessively |
| 98 | Waldo silty clay loam | III | 0-3% | Very Limited | Very Limited | Very Limited | Very Limited | Flooding, depth-saturated zone, shrink-swell | Poorly drained |
| Soils within Marion County inside the Mill City UGB | | | | | | | | | |
| Ad | Alluvial Land | VIII | 0-4% | Very Limited | Very Limited | Very Limited | Not rated | Flood, large stones | Somewhat poorly |
| Ca 18 | Camas gravelly sandy loam | IV | 0-3% | Very Limited | Very Limited | Very Limited | Very Limited | Flooding | Excessively drained |
| CLD 32D | Cumley silty clay loam | VI | 2-20% | Very Limited | Very Limited | Very Limited | Very Limited | Flooding, depth to saturated zone, shrink-swell | Moderately well drained |
| HSC | Horeb gravelly loam | VI | 0-15% | Not Limited | Not Limited | Very Limited | Somewhat Limited | | Well drained |
| HSE | Horeb gravelly substratum | VI | 15-35 | Very Limited | Very Limited | Very Limited | Very Limited | Slope | Well drained |
| Mm E | McCully very stony clay loam | VI | 2-30% | Very Limited | Very Limited | Very Limited | Very Limited | Slope | Well drained |
| MUE | McCully silty clay loam | VI | 2-20% | Very Limited | Very Limited | Very Limited | Very Limited | Slope, shrink-swell | Moderately well drained |
| MYB | Minniece silty clay loam | VI | 0-8% | Very Limited | Very Limited | Very Limited | Very Limited | Flooding, shrink-swell | Somewhat poorly |

⁶ U. S. Department of Agriculture, Natural Resource Conservation Service, Soil Survey Database http://www.nrcs.usda.gov/wps/portal/nrcs/detail/soils/survey/?cid=nrcs142p2_054226

5.5 Natural and Geologic Hazards

Within the Mill City Planning Area natural and geologic hazards are present. Potential hazards include dam failure, drought, earthquake, flooding, landslide, volcanic action, wildfire, windstorms and winter storms.

The *Linn County Natural Hazard Mitigation Plan*, the county-wide natural hazards assessment and mitigation plan, was updated in 2010. The *Marion County Multi-Jurisdictional Natural Hazards Mitigation Plan* was updated in 2011. Both plans include the three phases of hazard assessment: 1) hazard identification; 2) vulnerability assessment and 3) risk analysis. Each plan recommends hazard mitigation strategies the County and communities can take to reduce the impacts on private property, public infrastructure, critical facilities and the public if a natural hazard event occurs.⁷

Critical facilities and public infrastructure in Mill City include City Hall, the Mill City Rural Fire Protection District's main fire station, the City's two water reservoirs, the wastewater treatment facilities and local schools.

The Oregon Department of Geology and Mineral Industries (DOGAMI) has mapped geologic hazards in the state. DOGAMI's website includes an interactive GIS map with layers showing the various geologic and natural hazards which can affect any part of the state.⁸

Severe Weather

There is a high probability that in any given year Mill City will be affected by a severe winter storm with heavy rain, ice, snow and/or high winds. Although damaging winter storms do not occur every year, severe winter storms occur once every seven years.

The Willamette Valley does not typically experience major snow, freezing rain or ice events in a normal winter. However, large snow events do occur when moist Pacific storms hit trapped cold air in the Willamette Valley or as storms rise over the Cascades. Snowfall and rainfall totals are higher as you go east from the Willamette Valley into the North Santiam Canyon. Total annual rainfall in Stayton is 55" per year, 60" to 70" per year in Mill City and more than 88" per year once you reach Detroit, 20 miles east of Mill City.⁹

Mill City typically receives 6" to 12" of snow in a normal winter, but individual storms can drop 8" or more. Snowfall depths are greater in the hills surrounding the City and in the foothills of the Cascades. Major snowfall events can hit eastern Linn and Marion counties. A series of storms in December 2008 dumped almost 12 feet of snow in Detroit, 20 miles east of Mill City. Ice storms, with ice accumulation of ¼" to ½", affect Marion and Linn counties approximately once a decade.

Windstorms, with wind speeds in excess of 50 mph, are caused by Pacific storms that sweep into Oregon's western valleys. On December 12, 1995, February 7, 2002 and in June 2009 severe windstorms affected eastern Marion County including Mill City and Gates. High winds downed power lines, fallen trees blocked roads,

⁷ *Linn County Hazard Mitigation Plan*, prepared by the Linn County Planning and Building Department, November 2010.

⁸ Oregon Department of Geology and Mineral Industries, Interactive Statewide Geohazards Viewer. [Oregon HazVu: Statewide Geohazards Viewer](#)

⁹ *Marion County Natural Hazards Mitigation Plan*, prepared for the Mid-Willamette Valley Council of Governments and the Oregon Natural Hazards Workgroup at the University of Oregon, December 2005, Map 2 – Precipitation.

including Hwy 22, and caused power outages. The power outages from the 2002 storm lasted for several days in the Mill City area.¹⁰

Small communities can be significantly affected when severe weather occurs. Flooding from heavy rain and snow melt can block roads and damage structures. Ice, wind and snow can damage overhead power, telephone lines, cell towers and antennas interrupting service from utilities. Road flooding, fallen trees and limbs can hinder emergency responders and create problems for utility companies trying to maintain or restore services.¹¹

Severe weather also includes summer heat waves, when temperatures in the Willamette Valley exceed 90° Fahrenheit for more than 3 consecutive days. Heat waves in July 1981 and July/August 2009 saw valley temperatures exceed 100° for four consecutive days. Although summer heat waves can create dangerous short-term events, the risk of extended periods of drought is low. The *Linn County Natural Hazards Mitigation Plan* reports there are no records of severe drought in Linn County and a very low probability that drought will affect the County, once every 75-100 years.¹² The *Marion County Natural Hazards Mitigation Plan* reaches a different conclusion. It concludes there is a higher probability of a severe drought affecting Marion County, once every 10-35 years. Marion County emergency managers anticipate a drought will significantly impact agricultural producers and timber industries, reduce stream flows, lower reservoir levels and negatively affect irrigators and municipal water supplies.

Flood Hazards in the North Santiam River and its Tributaries

Flooding in the North Santiam River and its small tributaries in the Mill City UGB is a reoccurring hazard that has shaped the land. The construction of Detroit and Big Cliff dams in the mid-1950's and the resultant flood management activities by the U.S. Army Corps of Engineers has mitigated most of flooding impacts in Mill City along the North Santiam River. The North Santiam River flood plain is mostly confined to the river channel as the river travels through Mill City. However, major winter storms can still cause flooding and stream bank erosion in the small tributaries that flow into the North Santiam River in Mill City, including Elizabeth Creek and Cedar Creek in Marion County and DeFord Creek and Snake Creek in Linn County. Flood Hazards are discussed in more depth in Section 5.8.

Dam Failure

Mill City is vulnerable to devastating damage in the event of a catastrophic failure of the Detroit and/or Big Cliff dams. The probability of failure is small. Detroit Dam is a 450' high concrete dam flood control and hydroelectric generating facility that impounds 455,000 acre feet of water storage capacity in Detroit Lake. Big Cliff Dam is 141 feet high reregulating dam facility with 5,930 acre feet of water storage capacity in its reservoir. In the event of a catastrophic dam failure floodwaters would reach Mill City in approximately one hour, inundate the entire community up to a depth of 100', and potentially reach a peak elevation as high as 908' at River Mile 47.2 just west of 1st Avenue in Mill City.¹³

¹⁰ *Marion County Multi-Jurisdictional Natural Hazards Mitigation Plan*, prepared for Marion County by Oregon Partnership for Disaster Resilience, 2011, Volume II Hazard Annex – Windstorm, pp. WS-1 to WS-5.

¹¹ *Linn County Hazard Mitigation Plan*, prepared by the Linn County Planning and Building Department, November 2010, pp. 9-5 to 9-13.

¹² *Ibid.*, pp. 10-1 to 10-3.

¹³ US Army Corps of Engineers, Detroit/Big Cliff Dam Flood Inundation Map for the North Santiam River.

Steep Slopes, Landslides and Mass Movement

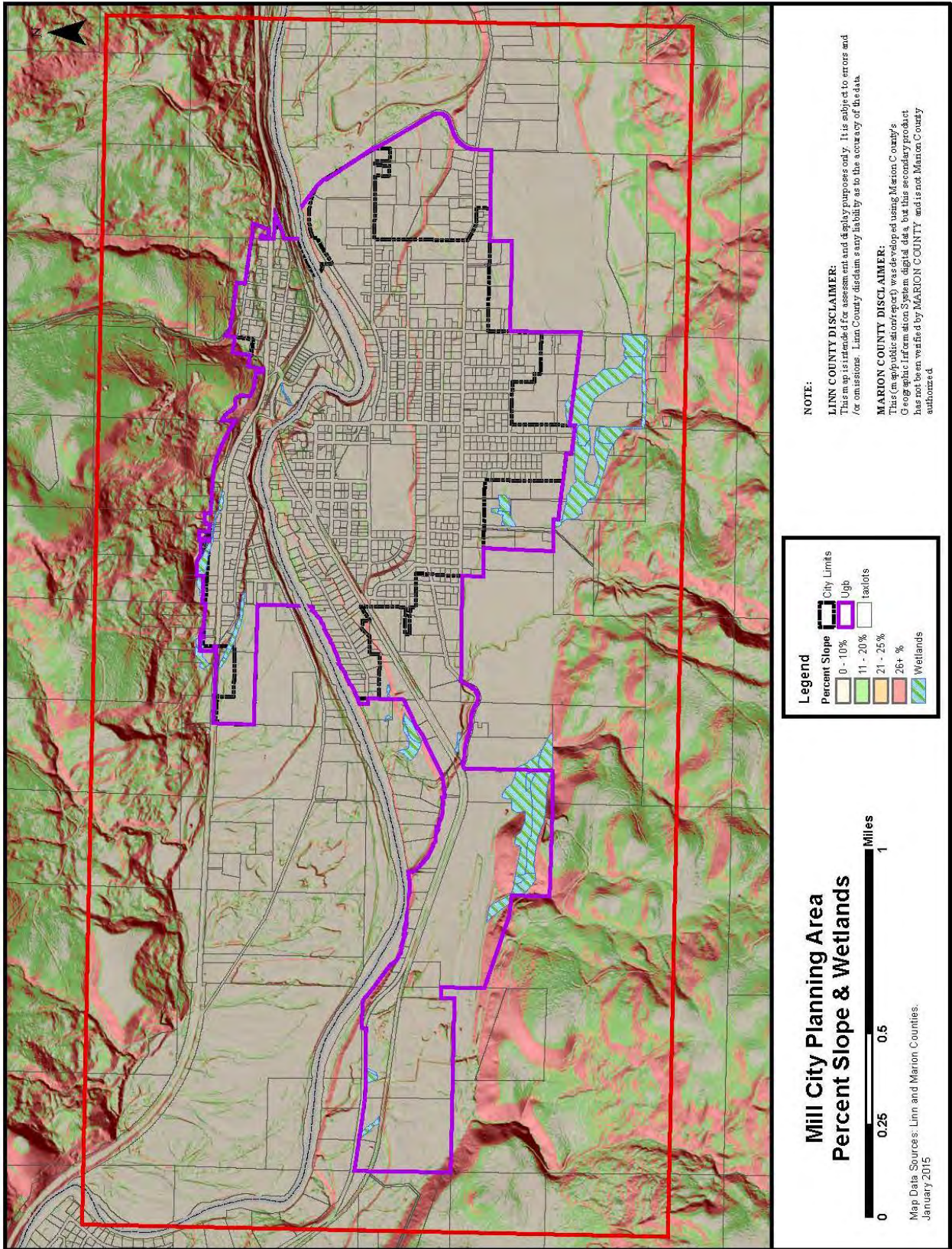
There are several steep hillside slopes in the Mill City UGB. Steep slopes exceeding 25% are found north of Hwy 22, along the North Santiam River, south of the Mill City School District facilities on Evergreen Street and Parkside Drive, and east of 4th Avenue south of SE Fairview Street. In addition, the forest slopes of the hills north and south of the City rise from the 800' elevation at City Hall to over 2250' north of Hwy 22 and to over 4,000' south of Mill City in the Santiam State Forest near High Rock.

Areas on the hills south of Mill City are subject to landslide hazards. DOGAMI's statewide landslide information database shows areas on the slopes of these hills have been subject to historic landslides and there are deposits of landslide material at the base of the slopes.¹⁴

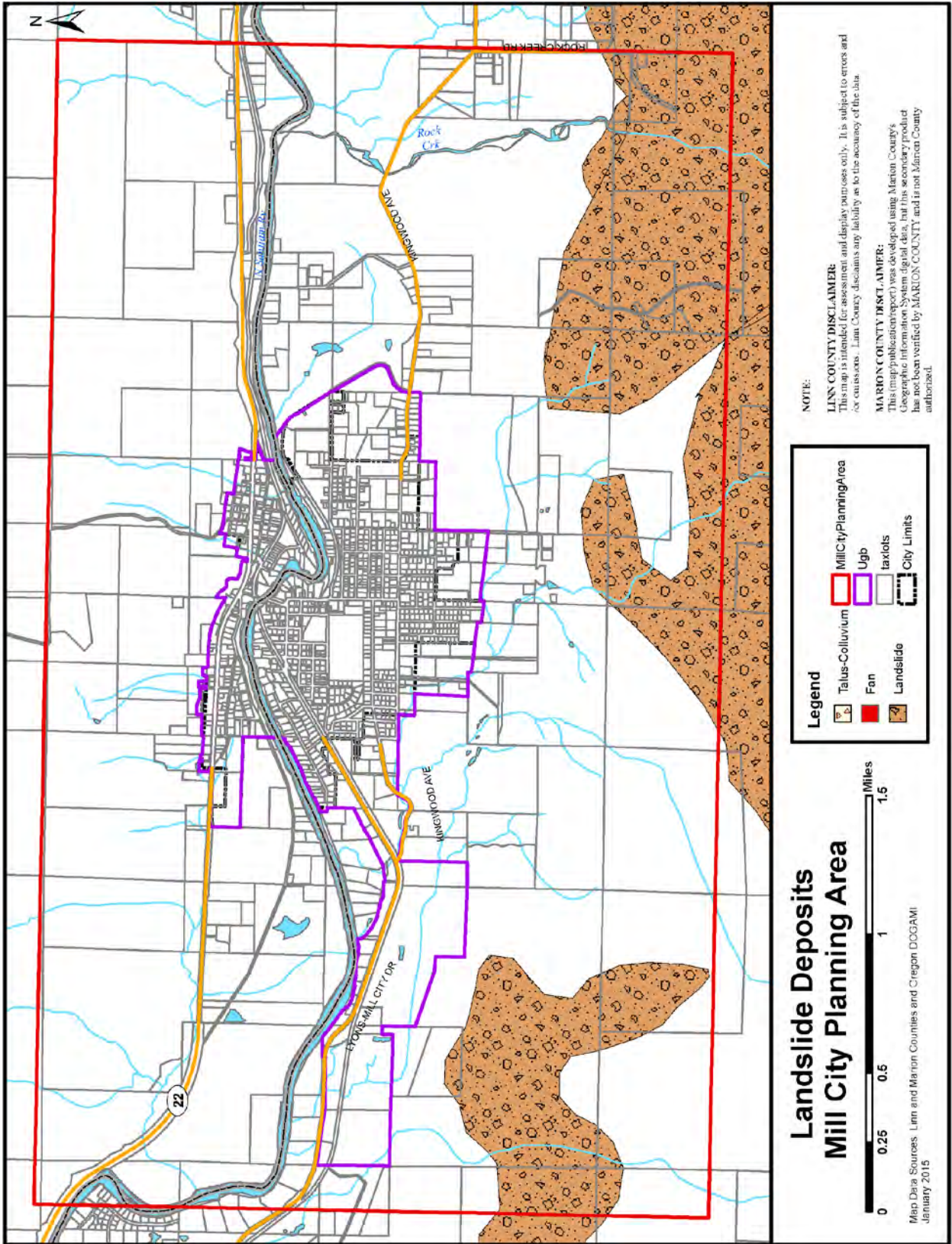
Map NR-5 shows the North Santiam River has created steep banks as the river flowed through the City. The small tributaries have cut channels with steep banks as they have flowed from the hills to the North Santiam River. This is most evident where DeFord Creek flows from Kingwood Avenue northwest to the North Santiam River. These streamside slopes include riparian areas where streamside vegetation is needed to stabilize soils and protect the channels from further erosion.

¹⁴ Oregon Department of Geology and Mineral Industries, Interactive Statewide Geohazards Viewer, and [DOGAMI | Statewide Hazards Viewer - Hazards and Assets](#), and IMS-22, GIS Overview Map of Potential Rapidly Moving Landslide Hazards in Western Oregon, North Santiam River quadrant, by R. Jon Hofmeister and others, 2002.

Map NR-5
Steep Slopes in the Mill City Planning Area



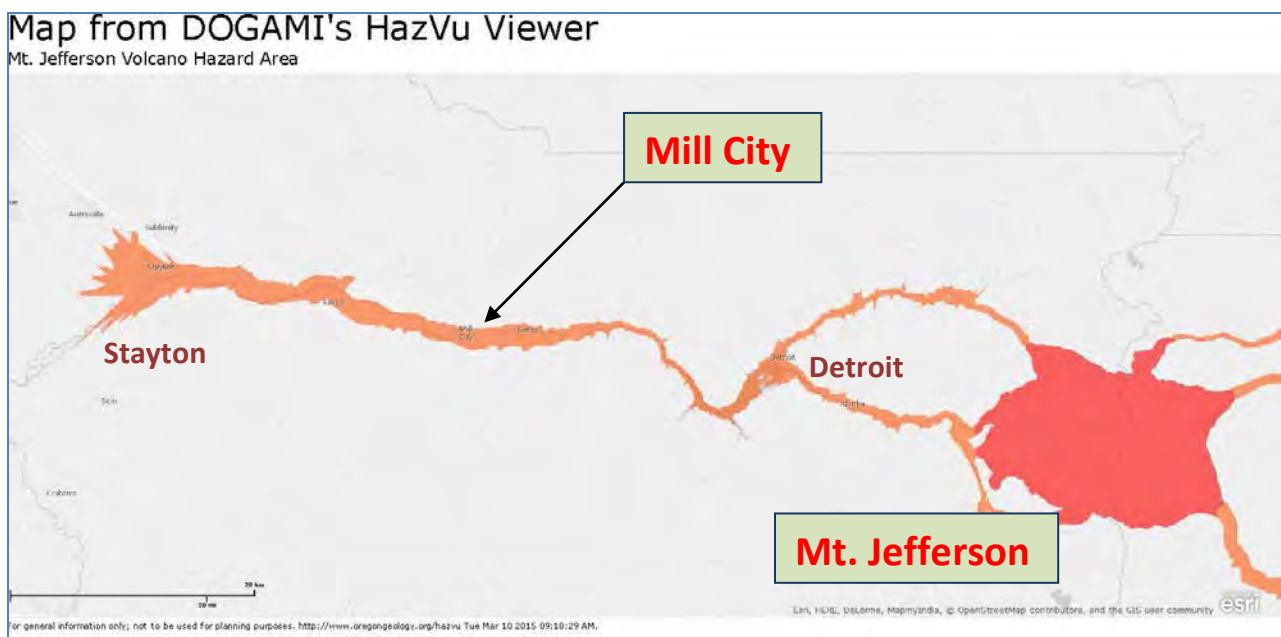
Map NR-6
Landslide Deposits in the Mill City Planning Area



Volcanic Hazards

Mount Jefferson, the Three Sisters and other mountains in the Cascade Range are part of the active chain of volcanoes that comprise the Ring of Fire along the Pacific Rim. DOGAMI has mapped severe and moderate hazard zones for areas that may be directly impacted by lahars, mudflows, debris flows, lava flows or major ash falls. There is a moderate hazard from mudflows or debris flows in the North Santiam Canyon, from an eruption of Mt. Jefferson. DOGAMI's maps show the hazard zone extends from the Mt. Jefferson Wilderness to an area west of Stayton.

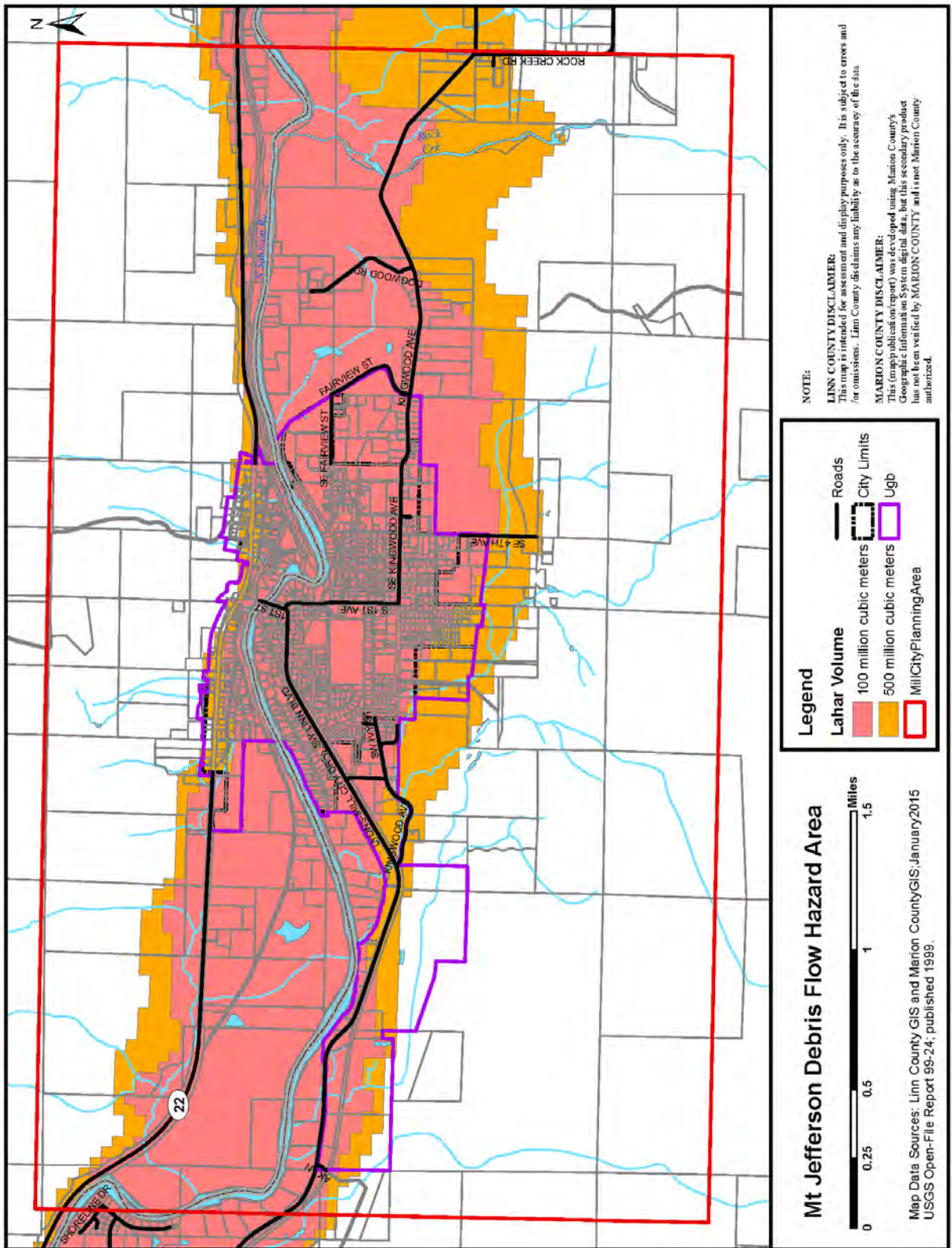
Map NR-7a
Mt. Jefferson Debris Flow Hazard Zone



The primary lahar/debris flow hazard area follows the North Santiam River valley to Idanha, Detroit and into Detroit Reservoir. Marion County's hazard mitigation plan assumes lahar flows will be contained in Detroit Reservoir and will not extend beyond the dam. However, if the dams are breached, debris flows would impact Gates, Mill City, Lyons, Mehama and Stayton.

Airborne volcanic ash from an eruption can also affect areas in the western foothills of the Cascade Range and the Willamette Valley depending on the scale of the eruption and wind directions.

Map NR-7b
Mt. Jefferson Debris Flow Hazard Zone in the Mill City Area



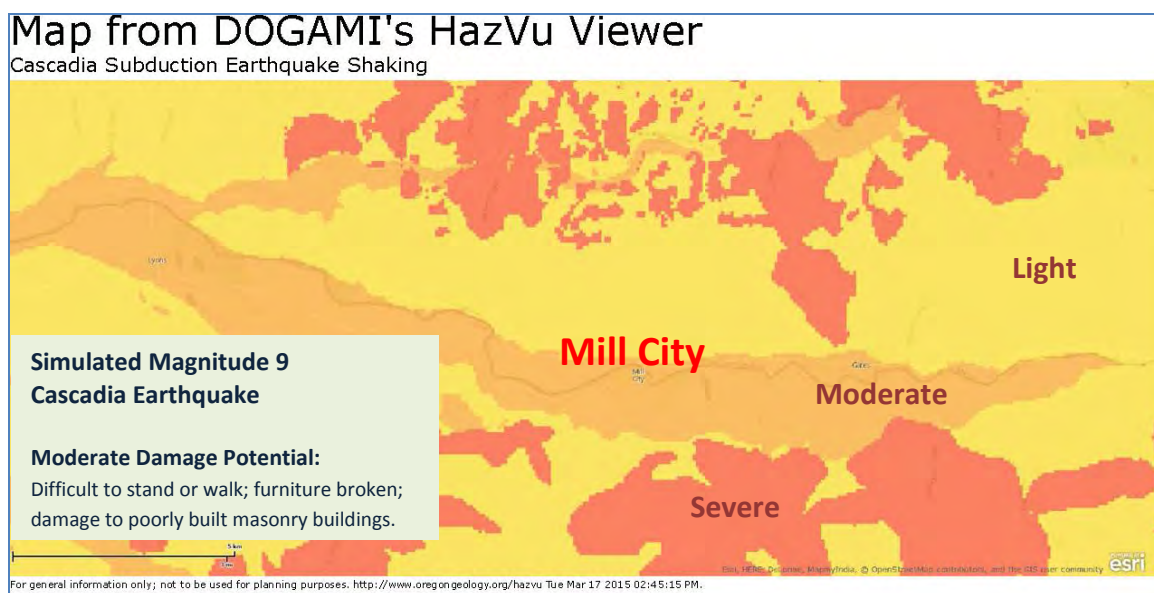
Earthquake Hazards

Western Oregon has historically been impacted by major subduction earthquakes in the Cascadia subduction zone at the boundary of the two tectonic plates, the North American Plate and the Juan de Fuca Plate, below the Pacific Ocean off the Oregon coast. The last major subduction earthquake occurred in 1700. Scientists have determined these major subduction earthquakes occur every 350 to 500 years. Since the last major subduction earthquake off the Oregon coast occurred in 1700, DOGAMI estimates there is a 7% to 12% chance that a major subduction earthquake will occur by the year 2060. If a 9.0+ magnitude or larger Cascadia subduction zone earthquake occurs, very strong shaking is expected in the central Willamette Valley and its river valleys including Mill City and the North Santiam Canyon. Severe shaking is expected in some of the hilly areas south of Mill City and north of Hwy 22 near Gates and in the hills above the Little North Fork of the North Santiam River.

Crustal earthquakes also occur in western Oregon along fault lines in the North American Plate. There have been three 3.0 to 3.6 magnitude earthquakes northwest and northeast of Salem since 1999 and the larger 5.6 magnitude Scotts Mills “Spring Break” earthquake in March 1993.¹⁵ The Scotts Mills earthquake location is approximately 20+/- miles north of Mill City. DOGAMI has utilized USGS data and to identify potentially active fault lines in Oregon. These fault lines are locations where the faults have seen movement in the last 1.6 million years and there is the potential for a damaging earthquake if the fault line moves. There are no active fault lines identified in the Mill City area.

Mill City’s gravelly loams and volcanic soils are not subject to liquefaction during a major earthquake event, although some of the soils in the Fox Valley west of Mill City are at a low risk of liquefaction in the event of a major earthquake. Severe shaking from an earthquake can cause wet sandy silty loam soils to liquefy when continuously shaken and compromise their ability to support buildings and structures.

Map NR-8
Cascade Subduction Earthquake – Intensity Scale / Damage Potential



¹⁵ Pacific Northwest Seismic Network, [PNSN Recent Events](#) | [Pacific Northwest Seismic Network](#)

Wildfire

Wildfire is defined “an uncontrolled burning of wildlands (forest, brush, or grassland).” It poses a significant risk to life and property in the Wildland Urban Interface (WUI) areas, the border between the urban area and nearby forest, brush or grasslands.

The Linn County Community Wildfire Protection Plan and the Marion County Community Wildfire Protection Plan both include a county-wide risk assessment, goals and action steps describing how emergency responders and local communities can prepare for and respond to the wildfire threats throughout each county. Mill City has been identified by both counties as one of the communities at risk from wildfire.

Maps in both plans indicate there is a severe or extreme risk of wildfire in the City of Mill City and the surrounding portions of the Mill City Rural Fire Protection District in the WUI interface where homes and businesses are located near forest lands. The Marion County Community Wildfire Protection Plan identifies the area north of Hwy 22 in Mill City as a particular area of concern.¹⁶

The Marion County Community Wildfire Protection Plan identifies the Mill City community as being at an extreme risk of wildfire due to several factors:

- **Fire Behavior/Potential:** Forests on steep, south facing slopes are in close proximity to urban uses. There is an abundance of fuels, high wind exposure, and limited defensible space. There is a history of nearby fires and high potential for future fires.
- **Values at Risk:** Homes and businesses are located in the WUI interface with a high potential for economic loss. Critical facilities such as water, sewer and public facilities are at risk.
- **Infrastructure:** There is limited road access and few emergency routes in areas of steep terrain. In rural areas there is no public water system and limited fire protection resources.

Both plans recommend strategies to educate the public on the threat of wildfire and steps property owners and communities can take to reduce fuel availability, create defensible space around structures and use building materials to minimize the threat wildlife poses to structures and property. The Mill City Rural Fire Protection District is the local government entity responsible for working with local property owners and coordinating the implementation of the plan’s action steps with the Linn County Fire Defense Board, Linn County, state and federal agencies. The Oregon Department of Forestry is responsible for fire protection on state-owned lands and Bureau of Land Management forest lands. The U.S. Forest Service is responsible for fire protection and management of the Willamette National Forest lands.¹⁷

¹⁶ Marion County Community Wildfire Protection Plan, prepared by Marion County Emergency Management, 2008. See Map 4f. – Mill City Area of Concern.

¹⁷ Linn County Community Wildfire Protection Plan, prepared for Linn County by ECO Northwest, November 2007.

5.6 Water

Groundwater

Groundwater is subsurface water contained in the open spaces in the soils and gravels below the land surface and is confined in aquifers.¹⁸ The water table marks the elevation below which all spaces are filled with water. In determining the capability of geologic materials to hold and transmit groundwater, porosity and permeability must be considered. Porosity is the percentage of open spaces; permeability is the capacity to transmit water and is dependent upon the porosity. Materials such as sand and gravels with relatively large interconnected pore spaces are very permeable and have high capacities. Recharge of ground water occurs directly from precipitation on the alluvium or bedrock and involves absorption at points where aquifers are exposed as well as lateral movement along the aquifer. Water derived from alluvial deposits is generally high in quality and is suitable for most agricultural, industrial and domestic uses.

The alluvial/glacial fill and volcanic formations in Mill City provide a good location for groundwater accumulation and enables the aquifer to recharge quickly from annual winter precipitation. The Oregon Water Resource Department maintains well records for all wells drilled in the State of Oregon. OWRD's well records for the Mill City area indicate water is available with static water levels at depths ranging from 10 feet below the surface to as deep as 110 feet. These well records also show the gallons per minute (gpm) rating for individual wells increases with depth.¹⁹

Average yields from wells in the Linn County portion of the Planning Area are approximately 20-60 gallons per minutes with three wells for the Walker Ranch and Al Ward properties south of SE Kingwood Avenue yielding 250 to 440 gallons per minute (gpm) in Middle Terrace gravels. Wells in the Marion County portion of the Planning Area have an average yield of approximately 15-20 gallons per minute with a range of 1 gallon per minute to 150 gallons per minute in the Sardine Formation. Minimum yields for residential uses are 5-10 gpm and 40-50 gpm for irrigation purposes. Most private wells in the Mill City Planning Area are adequate for residential use.²⁰

The City of Mill City has two municipal wells (Kingwood Wells 1 & 2) and a water pump station located at SE 4th and SE Kingwood Avenue. The two wells were drilled to a depth of 168 feet. Well 1 has the capacity to produce 800 gpm and Well 2 has the capacity to produce 450 gpm. Water bearing levels for both wells are found in sand and gravel layers. The water bearing zone for both wells extends from approximately 45' to 158' deep. The two city wells are close together and draw from the same aquifer. An analysis done in 2003 when the municipal wells were developed showed the water bearing zones were hydraulically connected to the North Santiam River.

Since the City municipal water system depends on groundwater the City has a strong interest in preserving the well head protection area near the city wells and preventing pollution of the ground water supply. As the

¹⁸ An aquifer is a layer of rock or gravel through which water can move. Water reaches the aquifer through cracks. Water is held in an aquifer by hard rocks or clay above and below the aquifer through which water cannot pass.

¹⁹ Oregon Department of Water Resources. Well log records for the City of Mill City, Kingwood Wells 1 & 2. and Groundwater Reports #13 and #25, records of wells, water levels, & chemical quality of water in the Lower Santiam River Basin, Middle Willamette Valley, Oregon, D.C. Helm, 1968, U.S.G.S and D.C. Helm and A.R. Leonard, 1977, U.S.G.S.

²⁰ Oregon Department of Water Resources well log database. [Water Resources Department Groundwater](http://www.oregon.gov/owrd/Pages/gw/index.aspx)
<http://www.oregon.gov/owrd/Pages/gw/index.aspx>

community develops to the south and east, the community will need to monitor nearby land uses in order to prevent contaminants, such as sewage, industrial wastes, street runoff, solid waste leachates, and irrigation runoff from percolating into the soils and impacting the ground water recharge areas.

Surface Water:

The North Santiam River is one of Oregon's most beautiful and pristine rivers. The North Santiam River dominates the landscape as it flows through Mill City and is the community's most valuable resource. The river descends 92 miles from its origin at Santiam Lake east of Detroit to its connection with the South Santiam River and discharge into the Willamette River near Jefferson. The North Santiam River and its tributaries drain a 764 square mile area on the west side of the Cascade mountain range, with 524 square miles of the watershed above Mill City.

The management of the North Santiam River watershed and the long-term protection of water quality, nearby forests, fish and wildlife habitat are issues of statewide and national importance. Under the Three-Basin Rule, the State of Oregon Department of Environmental Quality has imposed strict requirements to preserve the high water quality for aquatic life, municipal and recreational uses in three Oregon river watersheds, the Clackamas, McKenzie and North Santiam basins. Water pollution control facilities (wastewater treatment plants), storm water and on-site sewerage system discharges are closely regulated under existing NPDES permits and future point source discharge permits are prohibited.²¹ The North Santiam River provides drinking water for a large share of the mid-Willamette Valley including Salem and Stayton. The Santiam Water Control District diverts water to irrigate thousands of acres of highly productive agricultural land west of Stayton. The North Santiam River watershed is an important spawning and rearing area for protected salmon and steelhead. The unique natural features of the North Santiam River and the canyon it flows through offer superb scenic vistas and recreational opportunities.

The following sections of this Chapter discuss important watershed protection and management issues related to wetlands, flooding, fish and wildlife and water quality for the North Santiam River and its tributaries in the Mill City Planning Area.

5.7 Wetlands

Wetlands are those areas that are inundated or saturated by surface water or groundwater at a frequency or duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions.

Wetlands provide fish and wildlife habitat. They also provide flood protection, recharge the local aquifer and enhance water quality. In the past wetlands were viewed as land by which the best use could be achieved by draining for agriculture, dredging or filling for industrial and housing developments. The City of Mill City recognizes the importance of preserving wetland areas.

There are twelve locally significant wetlands inside the Mill City Urban Growth Boundary. The inventory and identification of locally significant wetlands are included in the *Local Wetland Inventory Report for the City of Mill City*, compiled by SWCA Environmental Consultants as part of the Multi City/County Water Resource Assessment Project completed by Lane Council of Governments. The Mill City Local Wetlands Inventory (LWI) and assessment complies with Goal 5 requirements.

²¹ Oregon Department of Environmental Quality, Three-Basin Rule, OAR 340-41-350.

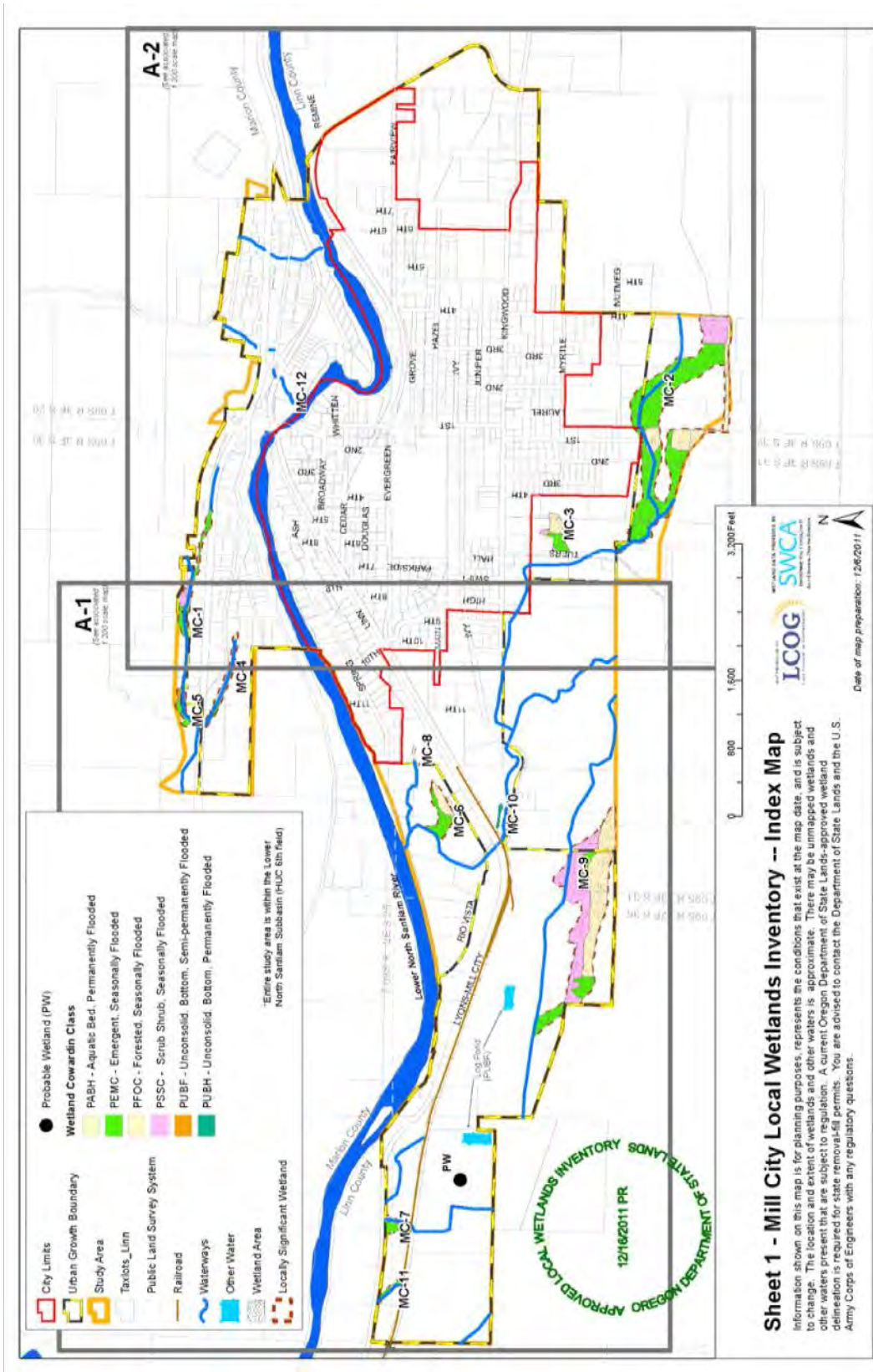
Table NR-2
Types of Wetlands within the Mill City UGB²²

| Wetland Classification | Abbrev | Classification Description | Area (Acres) | Percent of Wetlands |
|--|--------|---|--------------|---------------------|
| Palustrine Emergent Wetland | PEM | Wetlands with rooted herbaceous vegetation that stand erect above the water or ground surface | 25.55 | 49% |
| Palustrine Scrub-Shrub Wetland | PSS | Wetlands dominated by shrubs and tree saplings less than 20 feet high | 11.43 | 22% |
| Palustrine Forested Wetland | PFO | Wetlands dominated by trees that are greater than 20 feet high | 14.39 | 28% |
| Palustrine Unconsolidated Bottom Wetland | PUB | At least 25% cover of particles smaller than stones and a vegetative cover less than 30%. Permanent or intermittent shallow water bodies; Greater than 30% vegetation cover, growing on or below the water's surface for most of the growing season most years; | 0.85 | 1% |
| Palustrine Open Water Wetland | POW | | | |
| Palustrine Aquatic Bed Wetland | PAB | | | |
| | | Total | 52.22 | 100% |

The quality of wetlands in the Mill City study area was assessed using the Oregon Freshwater Wetland Assessment Methodology (OFWAM; Roth et al. 1996). OFWAM is used to evaluate the relative quality of wetlands primarily for planning and educational purposes. OFWAM evaluates wetland functions including wildlife habitat, fish habitat, water quality, and hydrologic control functions. Where applicable, other measures to determine Locally Significant Wetlands were implemented.

²² *Local Wetland Inventory Report for the City of Mill City*, Prepared for the City of Mill City and Lane Council of Governments, SWCA Environmental Consultants, Portland, OR Approved by State of Oregon Department of State Lands, December 16, 2011. P. 8.

Map NR-9
Locally Significant Wetlands in the Mill City Wetlands Study Area



Twelve wetlands are identified within the Mill City study area, totaling 54.22 acres, not including rivers and streams, deepwater habitats, or artificially created ponds such as log ponds or detention ponds. Mill City's wetlands are mostly emergent, scrub-shrub or forested with a small component of open water.²³ Most of the wetlands identified in Mill City's UGB are (1) adjacent to DeFord Creek and Snake Creek at the south edge of the UGB, (2) north of Hwy 22 west of 2nd Avenue and (3) south of Lyons-Mill City Drive and the Frank Lumber Company mill and yard at the west end of the UGB.

Many of these wetlands are flooded on a seasonal or temporary basis. They temporarily store flood waters and thereby slow the flow of flood water. In general, downstream flood damage can be lessened by the protection of wetlands. When floodwaters are diverted to a series of wetlands adjacent to the stream channel, flood peaks of tributary streams do not occur simultaneously so that flood waters do not all reach the main stream at the same time. All of the wetlands provide diverse wildlife habitat. The locations and types of locally significant wetlands in the Mill City Urban Growth Boundary are shown on Map NR-9.

Table NR-3
Cowardin Classification of all Wetlands within the Mill City UGB²⁴

| Wetland Code | USFWS Wetland Classification | | | | Total Acreage |
|---------------|------------------------------|----------|-------------|-------------|---------------|
| | PEM | PSS | PFO | POW/PAB/PUB | |
| MC-1 | 1.50 | 0.68 | 0 | 0 | 2.18 |
| MC-2 | 17.74 | 2.19 | 4.18 | 0 | 24.11 |
| MC-3 | 0.71 | 0.18 | 0.78 | 0 | 1.67 |
| MC-4 | 0.20 | 0 | 0.93 | 0.15 | 1.28 |
| MC-5 | 0.59 | 0 | 0 | 0.30 | 1.28 |
| MC-6 | 1.27 | 0 | 0.91 | 0 | 2.18 |
| MC-7 | 0.48 | 0.12 | 0 | 0 | 0.61 |
| MC-8 | 0 | 0 | 0 | 0.17 | 0.17 |
| MC-9 | 2.65 | 8.25 | 7.42 | 0 | 18.32 |
| MC-10 | 0 | 0 | 0 | 0.23 | 0.23 |
| MC-11 | 0.41 | 0 | 0 | 0 | 0.41 |
| MC-12 | 0 | 0 | 0.17 | 0 | 0.17 |
| Totals | 11.61 | 0 | 3.51 | 0.70 | 16.22 |

²³ *Local Wetland Inventory Report for the City of Mill City*, Prepared for the City of Mill City and Lane Council of Governments, SWCA Environmental Consultants, Portland, OR Approved by State of Oregon Department of State Lands, December 16, 2011. pp 3-7.

²⁴ *Ibid.*, *Local Wetland Inventory Report for the City of Mill City*, p 8.

5.8 Flood Hazards

The North Santiam River drains 764 square miles from its origins in the west slopes of the Cascade Mountain Range to where it joins the South Santiam River near the City of Jefferson. The drainage area above Mill City is 524 square miles and is comprised primarily of forest lands.

Water from the upper North Santiam River watershed and the Breitenbush River watershed flow into Detroit Reservoir before being released back into the North Santiam Canyon channel below Detroit and Big Cliff dams. The river flows west through Gates and Mill City before it leaves the North Santiam Canyon near Lyons/Mehama. It then flows through alluvial agricultural lands on the east side of the Willamette Valley from Lyons, past Stayton to Jefferson, where it joins the South Santiam River, and then discharges to the Willamette River.

There are two real-time flow gauges on the North Santiam River near Mill City: (1) USGS flow gauge 14181500 near Niagara is 8 river miles above Mill City and (2) USGS flow gauge 14183000 near Mehama is ½ mile west of where the Little North Fork of the North Santiam River discharges into the main stem of the North Santiam River.²⁵

The North Santiam River has cut a deep floodway channel through the alluvial rock deposits in Mill City. Because of this, there is only a small amount of 100-year flood plain inside the Mill City UGB and very few structures at risk from flood damage. The 100-year floodplain extends just beyond the river channel and minimally affects properties on SW Linn Place, SW Spring Street and within the Santiam Pointe subdivision.

CH²M Hill, Inc. completed a hydrologic and hydraulic analysis of the North Santiam River for the Federal Emergency Management Agency (FEMA) in 1977. The study area included a reach of the North Santiam River from approximately one mile upstream of Gates through Mill City to one mile downstream of the city limits.²⁶

The following excerpts from FEMA's flood insurance study for Linn County (November 2013) describes historic flooding issues and future flooding potential in Mill City.

The potential for flooding in Mill City has been greatly reduced since the completion of the Detroit Dam in 1953 on the North Santiam River. It has reduced the expected 100-year flood peak at Mehama gauge from 115,000 to 52,000 cfs.

The largest flood on North Santiam River since the completion of Detroit Reservoir in 1953 occurred on December 22, 1964. Rapid snowmelt combined with intense rainfall to produce a peak discharge of 58,400 cfs at the USGS stream gauge at Mehama (across the river from Lyons) and had a return interval of approximately 140 years. There was little damage in Lyons along North Santiam River from the December 1964 flood, as the floodplain was still undeveloped. Upstream of the confluence with Little North Santiam River, the estimated peak North Santiam River discharge for the 1964 flood is only 22,400 cfs. Larger floods occurred prior to construction of Detroit Reservoir, including one in December 1945, which had a discharge of 76,600 cfs at Mehama. On January 21, 1972, the USGS stream gauge at Mehama recorded a peak discharge of 43,300 cfs, which had a recurrence interval of approximately 50 years.²⁷

²⁵ USGS Oregon Science Center website, Oregon Streamflow Conditions, [USGS Oregon Water Science Center: Data](#).

²⁶ *Flood Insurance Study – Linn County, Oregon and Incorporated Areas, Volume 1 of 2*, Federal Emergency Management Agency, Flood Insurance Study Number 41043CV001B, Preliminary, November 29, 2013, pp 1, 5, 10-11.

²⁷ *Ibid*, pp. 16 and 18.

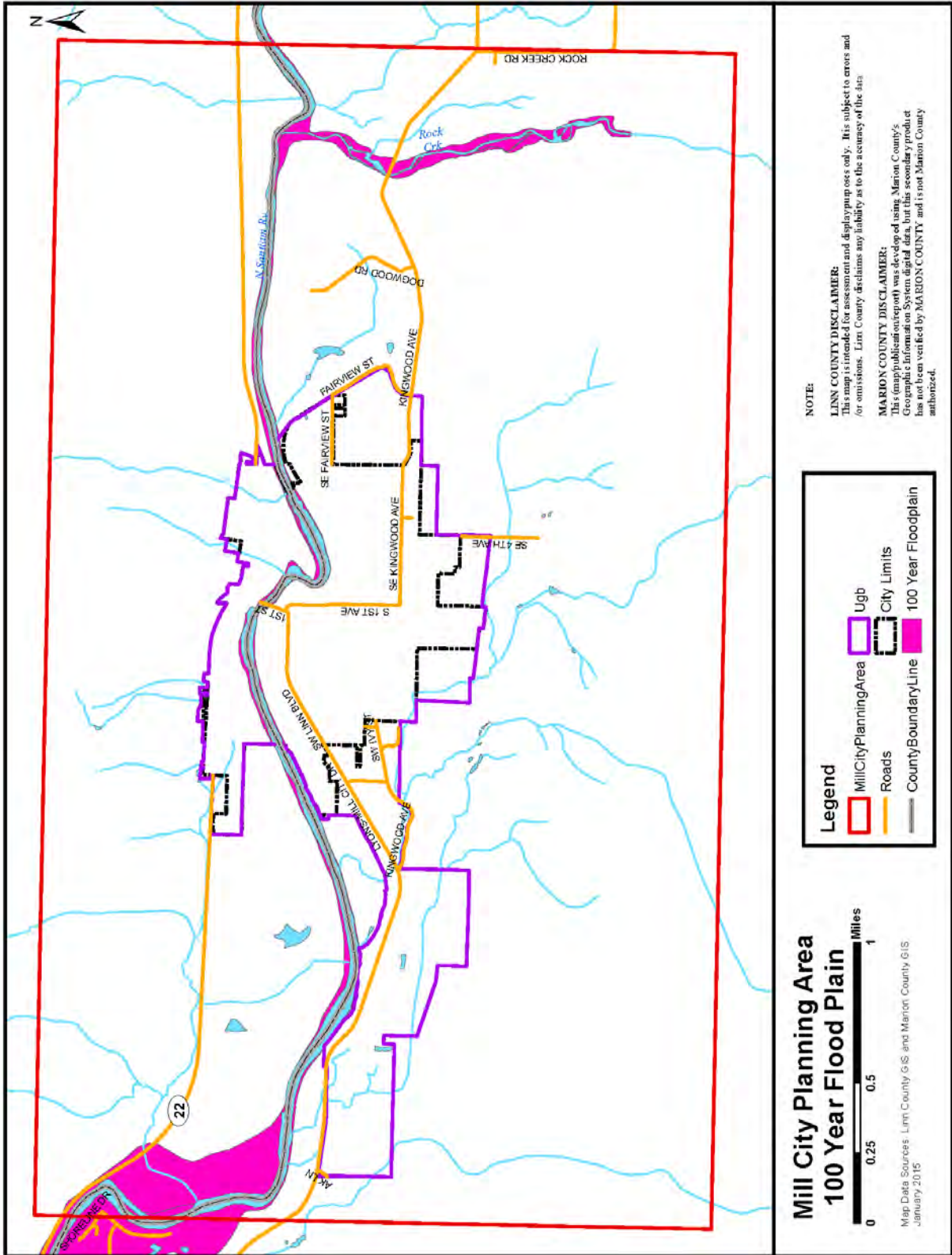
The Area of Special Flood Hazard identified by the Federal Emergency Management Agency in its *Flood Insurance Study (FIS) for Linn County*, dated September 29, 2010, with accompanying Flood Insurance Rate Maps (FIRM) or Digital Flood Insurance Rate Maps (DFIRM), and other supporting data, was adopted by the City Council. Map NR-10 shows the Special Flood Hazard areas inside the City.

The City has adopted flood hazard regulations requiring that the base floor elevation of new structures be raised at least one foot above the base flood elevation. For structures within the 100-year flood hazard area property owners are required to provide an engineer's elevation certificate demonstrating the new structures comply with the flood hazard regulations.

Flooding has historically occurred in the small tributaries in Mill City. When the surrounding hills are covered with snow, rainfall coupled with melting snow can exacerbate flood impacts. The steep gradient of these creeks and their proximity to developed areas in the City create the potential for flood damage to existing structures. Flooding can occur during smaller 10-year and 25-year storm events as well as the major 50-year and 100-year storms like the 1964 and 1996 floods that affected the entire Willamette Valley. In the December 1964 and February 1996 storms, Snake Creek and DeFord Creek overflowed their banks. Flood waters from the 1996 storm impacted the residential neighborhoods south of Kingwood Avenue from SE 4th Avenue east to SW 1st Avenue. The 1964 storm created a flash flood condition that washed trees, rocks and debris onto the Fencil property near SW Kingwood Avenue. The North Santiam Watershed Council's 2010 study, the *DeFord Creek Restoration and Assessment Plan*, identifies some of the impacts development has had on the capacity of the watershed to handle peak storm flows. Undersized culverts, roadways and agricultural activities have impacted the ability to store and then release floodwaters. As development occurs, it is important to preserve the capacity within the Snake Creek/DeFord Creek watershed near the BPA power lines at the south end of the UGB.²⁸

²⁸ *DeFord Creek Restoration and Assessment Design Concepts Plan – Final Report*, prepared for the North Santiam Watershed Council by River Design Group, Inc., June 2010.

Map NR-10
North Santiam River 100-Year Flood Plain



5.9 Fish and Wildlife

Wildlife

The Mill City Local Wetlands Inventory includes a brief summary of sensitive wildlife species found within two miles of Mill City. Information was obtained by the City's wetlands consultants from the Oregon Biodiversity Information Center in March 2010. Sensitive wildlife species include:

- Steelhead (Upper Willamette River ESU, winter run) in the North Santiam River and Snake Creek
- Chinook salmon (Upper Willamette River ESU, spring run) in the North Santiam River and Snake Creek / DeFord Creeks
- bull trout in the North Santiam River
- Harlequin duck
- Northern spotted owl
- Oregon slender salamander
- long-legged myotis (bat).²⁹

Fish

Winter steelhead and spring Chinook salmon are the anadromous fish native to the Willamette River above Willamette Falls. Historically, only winter steelhead trout and spring Chinook salmon could migrate over Willamette Falls into the upper Willamette Valley. The majority of these fish spawned in the Santiam River and Mckenzie River sub basins.³⁰ The Upper Willamette winter steelhead and Upper Willamette spring Chinook salmon are listed as endangered species by the US Environmental Protection Agency.

Fish species in the North Santiam River and its tributaries include winter steelhead, summer steelhead, spring Chinook salmon, resident cutthroat trout, rainbow trout, Oregon chub, Pacific lamprey and bull trout.³¹ The Oregon Department of Fish and Wildlife has mapped all Oregon rivers and streams that are considered essential salmon habitat and require protection measures. Spawning areas for listed salmon and steelhead are located in several tributaries in the Middle Reach of the North Santiam River near Mill City. Map NR-11 shows the North Santiam River, DeFord Creek and Rock Creek east of Mill City are identified as essential salmon habitat.

In 2010, the North Santiam Watershed Council completed *DeFord Creek Restoration and Assessment Design Concepts Plan – Final Report*, an analysis of the DeFord Creek/Snake Creek watershed inside the Mill City UGB. The report evaluates the existing conditions in the stream corridor from SE 4th Avenue at the SE edge of the Mill City UGB to the confluence of DeFord Creek with the North Santiam River.

²⁹ *City of Mill City Local Wetlands Inventory*, page 2.

³⁰ *Thomas Creek Watershed Analysis*, Bureau of Land Management (Salem District), Version 1.0, 1996.
http://www.blm.gov/or/districts/salem/plans/files/watershed_analyses/sdo_thomascrk/sdo_wa_thomascr.pdf
Chapter 4

³¹ Oregon Department of Environmental Quality, Willamette River Basin TMDL Plan, Chapter 8–North Santiam Subbasin, September 2006. pp. 8-7
<http://www.deq.state.or.us/wq/tmdls/docs/willamettebasin/willamette/chpt8nsantiam.pdf>

Historically, the two streams provided spawning and rearing habitat for both winter steelhead and Spring Chinook salmon due to the low to moderate gradient of the streams, high quality habitat and the suitable channel size for spawning and rearing juvenile fish. The productivity and quality of the fish habitat has been degraded over the past century due to nearby logging, streamside agricultural uses, removal of riparian vegetation, channelization of the streambed, streambank erosion, loss of woody debris and the resultant increases in temperature and degradation of water quality. The North Santiam Watershed Council’s consultants conclude DeFord Creek and Snake Creek have the potential to be restored to provide future steelhead and Chinook salmon habitat. The report recommends parcel-by-parcel riparian, stream and habitat enhancements to improve water quality and restore the capacity of the creek for spawning and rearing of juvenile fish. Proposed projects include reestablishment of riparian vegetation, stream bank restoration and erosion control, in-stream work to add large wood and channel structure, and replacement of undersized culverts. The North Santiam Watershed Council has initiated several projects with individual property owners to restore the habitat.³²

Map NR-11
North Santiam River near Mill City - Essential Salmon Habitat

Essential Salmonid Habitat (2014)



December 11, 2014

- Draft Essential Salmonid Habitat 2014
- Essential Salmonid Habitat 2010

1:144,448
 0 1.25 2.5 5 mi
 0 2 4 8 km
 Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoEye, IGN, Aerotech, NL

³² *DeFord Creek Restoration and Assessment Design Concepts Plan – Final Report*, prepared for the North Santiam Watershed Council by River Design Group, Inc., June 2010.

5.10 Water Quality and Watershed Protection, Restoration and Enhancement

DEQ's Willamette Basin TMDL Plan

The Willamette River basin, including the North Santiam River subbasin and its tributaries, has been studied to determine if its rivers and streams exceed federal water quality standards under section 303(d) of the federal Clean Water Act (CWA). The Oregon Department of Environmental Quality (DEQ) has prepared the 303(d) list of stream segments that do not meet water quality criteria. The *Willamette Basin TMDL Plan* establishes Total Maximum Daily Load (TMDL) standards for temperature, bacteria and mercury in order to protect water quality and prevent further degradation of the river and its tributaries.

The North Santiam River subbasin is divided into six watershed zones; Mill City is located in the Middle North Santiam River Watershed which extends from Lyons/Mehama east to just west of Big Cliff dam. According to the *Willamette Basin TMDL Plan*, the North Santiam River subbasin has the main stem of the North Santiam River and nine tributary stream segments on the 303(d) list for exceeding the water temperature criteria. Most of the nine tributaries discharge into the main stem of the North Santiam River below Mill City, including Stout Creek near Mehama, the Little North Fork and Elkhorn Creek. None of the listed 303d tributaries are in the Mill City UGB, but temperature is still a concern because main stem of the North Santiam River flows through Mill City.

Temperature is one of the TMDL standards because high stream temperatures can alter the biology in a stream segment and affect salmonids by inhibiting migration, rearing and spawning, impacting circulation and/or respiration or kill fish. The TMDL plan states:

Stream temperature is influenced by natural factors such as climate, geomorphology, hydrology, and vegetation. Human influenced or anthropogenic heat sources may include discharges of heated water to surface waters, the loss of streamside vegetation and reductions in stream shading, changes to stream channel form, and reductions in natural stream flows. The pollutant targeted in this TMDL is heat from the following sources: (1) heat from warm water discharges from various point sources (2) heat from human caused increases in solar radiation loading to the stream network, and (3) heat from reservoirs which, through their operations, increase water temperatures or otherwise modify natural thermal regimes in downstream river reaches.³³

The Willamette Basin TMDL Plan concludes excessive heat loading is widespread in the tributaries that flow into the North Santiam River. DEQ data shows summer temperatures in the designated tributaries exceed the established water quality standards. The critical period for high stream temperatures are in hot summer months (July through September) when stream flows are lowest.

In 2000, DEQ and BLM staff measured late summer temperatures in the North Santiam River basin. One of the monitoring stations in the North Santiam River was at the BLM's Fisherman's Bend park just west of Mill City. Temperatures at this station did not exceed temperature standards. However, temperatures in the tributaries west of Mill City (Little North Fork and Stout Creek) exceeded the water quality standard thresholds and require the implementation of measures to enhance and/or protect habitat to enable cold-water salmonids to migrate and spawn. This includes the Upper Willamette spring Chinook salmon and Upper Willamette winter steelhead that spawn in the North Santiam River subbasin.

³³ *Willamette River Basin TMDL Plan: Chapter 4 – Temperature*, Oregon Department of Environmental Quality, September 2006, p. 4-5.

The following two tables from the TMDL Plan describe the impacts high water temperatures in a stream can have on anadromous fish (Table 8.4) and the optimal temperatures for spawning, rearing and migration (Table 8.5).³⁴

Table NR-4
Thermally Induced Cold Water Fish Mortality Modes

| Modes of Thermally Induced Fish Mortality | Temperature Range | Time to |
|---|--------------------------------|-----------------|
| <i>Instantaneous Lethal Limit</i> – Denaturing of bodily enzyme systems | > 32°C (> 90°F) | Instantaneous |
| <i>Incipient Lethal Limit</i> – Breakdown of physiological regulation of vital bodily processes, namely: respiration and circulation | 21°C - 25°C (70°F - 77°F) | Hours to Days |
| <i>Sub-Lethal Limit</i> – Conditions that cause decreased or lack of metabolic energy for feeding, growth or reproductive behavior, encourage increased exposure to pathogens, decreased food supply and increased competition from warm water tolerant species | 17.8°C - 23°C (64°F - 74°F) | Weeks to Months |

Table NR-5
Oregon’s Biologically Based Temperature Criteria

| Beneficial Use | Temperature Criteria |
|--|----------------------|
| Salmon and Steelhead Spawning | *13.0°C (55.4°F) |
| Core Cold Water Habitat Identification | *16.0°C (60.8°F) |
| Salmon and Trout Rearing and Migration | *18.0°C (64.4°F) |

* Stream temperature is calculated using the average of seven consecutive daily maximum temperatures on a rolling basis (7-day calculation).

Excess heat loading can occur wherever inadequate shade levels are widespread.³⁵ The protection of existing tree cover and restoration of the riparian vegetation along the stream banks in the North Santiam River watershed is recommended to reduce heat loading and enhance wildlife habitat.

Other impacts can occur from direct discharges to a river. DEQ regulates these point-source discharges. Frank Lumber Company has the only NPDES permitted point source discharge in the Mill City UGB. The City of Mill City wastewater treatment facility at the east end of the City has a general NPDES permit, but the wastewater is treated and then disposed of in a large drainfield. There is no discharge point into the North Santiam River. The City’s NPDES permit requires the city to meet water quality parameters for temperatures, BOD and suspended solids and adopt a TMDL plan for the City.

³⁴ Ibid., *Willamette River Basin TMDL Plan: Chapter 8–North Santiam Subbasin*, pp. 8-11 to 8-12, Table 8.4 and Table 8.5

³⁵ Ibid., *Willamette River Basin TMDL Plan, Chapter 8 – North Santiam Subbasin*, pp. 8-25 to 8-29..

The City of Mill City is a Designated Management Agency (DMA) and is required to prepare and submit a TMDL plan to DEQ. The City's initial plan was submitted 2008 and updated and approved by DEQ in 2014. The City's TMDL plan outlines pollution control strategies the City will implement to reduce temperature, bacteria and mercury loading in the North Santiam River and tributaries. The City is required to submit an annual report identifying the actions the City has taken to implement the pollution control strategies and a 5-Year Summary report with an updated list of strategies for the next 5-year period.

The City's TMDL plan identifies the following strategies the City can implement to help reduce temperature, bacteria and mercury loading into the North Santiam River. Strategies in the City's 5-Year TMDL plan prepared in 2013 include:

Temperature

- Complete a riparian inventory meeting Goal 5 requirements
- Adopt riparian protection measures in the City's zoning code and public works design standards.
- Support North Santiam Watershed Council restoration projects.
- Remove non-native species from city owned properties, plant new trees in the riparian zones and protect existing trees from removal.

Bacteria and Mercury

- Develop & implement an Inflow & Infiltration inspection and repair program for the sewer system.
- Complete the Storm Drainage Master Plan. (basin by basin)
- Develop and implement a storm drainage system cleaning and maintenance program.
- Pet waste and animal waste – prevent from nutrient loading impacting waterways.
- Plan and implement streamside erosion programs.
- Construction management – erosion control measures required; monitor construction activities and update public works design and construction standards.

North Santiam Watershed Council Planning and Restoration Projects

The North Santiam Watershed Council (NSWC) works with individual property owners, the Oregon Watershed Enhancement Board, local governments and federal agencies to improve water quality. Recent projects have included annual water quality monitoring, stream restoration projects, riparian enhancement, fish passage barrier studies and youth education programs.

In 2010 NSWC completed the *DeFord Creek Restoration and Assessment Design Concepts Plan – Final Report*. The report covers the reaches of DeFord Creek/Snake Creek inside the Mill City Planning Area from SE 4th Avenue west to stream confluence with the North Santiam River. The report is intended to serve as a blueprint for the watershed council to use when it advises property owners on how to implement stream restoration actions on individual parcels.

The City of Salem and NSWC initiated a collaborative planning effort in 2009 with all governmental entities (local, state and federal) with interests in the North Santiam watershed. Annual summits have been held to discuss topics ranging from protecting habitat and water quality, data collection, flood hazards monitoring and emergency planning. Although the City of Mill City no longer takes its drinking water directly from the North Santiam River, it is important to actively participate in future summits and discussions concerning the overall management of the North Santiam watershed.

Marion Soil and Water Conservation District

The Marion Soil and Water Conservation District (MSWCD) is a special district that seeks to protect, conserve and improve the quality of soil and water in Marion County through planning, technical assistance and education. As a small agency, MSWCD works with property owners, public and private conservation organizations, agricultural groups and citizens and serves a research organization and resource about soil and water conservation efforts.

From 2008 to 2012 the District conducted invasive plant species field surveys on the North Santiam, Santiam and Little North Santiam Rivers. Survey crews found 9 plant species from the Marion County Weed List in the riparian zone along approximately 105 miles of water way. District staff prepared and shared maps for individual property owners showing GPS locations of the invasive plants. The City of Mill City parks and open spaces have river frontage where false brome, knapweed, tansy ragwort, yellow flag iris and knotweed were identified and located. MSWCD staff and the Marion Weed Control District are available to work with the City and local property owners to eradicate these invasive species.

5.11 Forest Lands

Goal 4 “Forest Lands” encourages the conservation, protection and management of forest resource lands. As with the agricultural lands LCDC has determined that Goal 4 requirements for forest lands do not apply within cities with acknowledged comprehensive plans.

Most of eastern Marion County and Linn County are comprised of large tracts of public and private forest lands beginning in the foothills of the Cascades Range east of Lyons and rising to the crest of the mountain range at the eastern borders of the two counties. These forest lands are used for timber production, wildlife and fisheries habitat, outdoor recreation, watershed protection and wilderness. Mill City is surrounded by productive forest in both counties. Map NR-12 “Forest Lands in the Mill City Planning Area” shows the nearby forest resource lands.

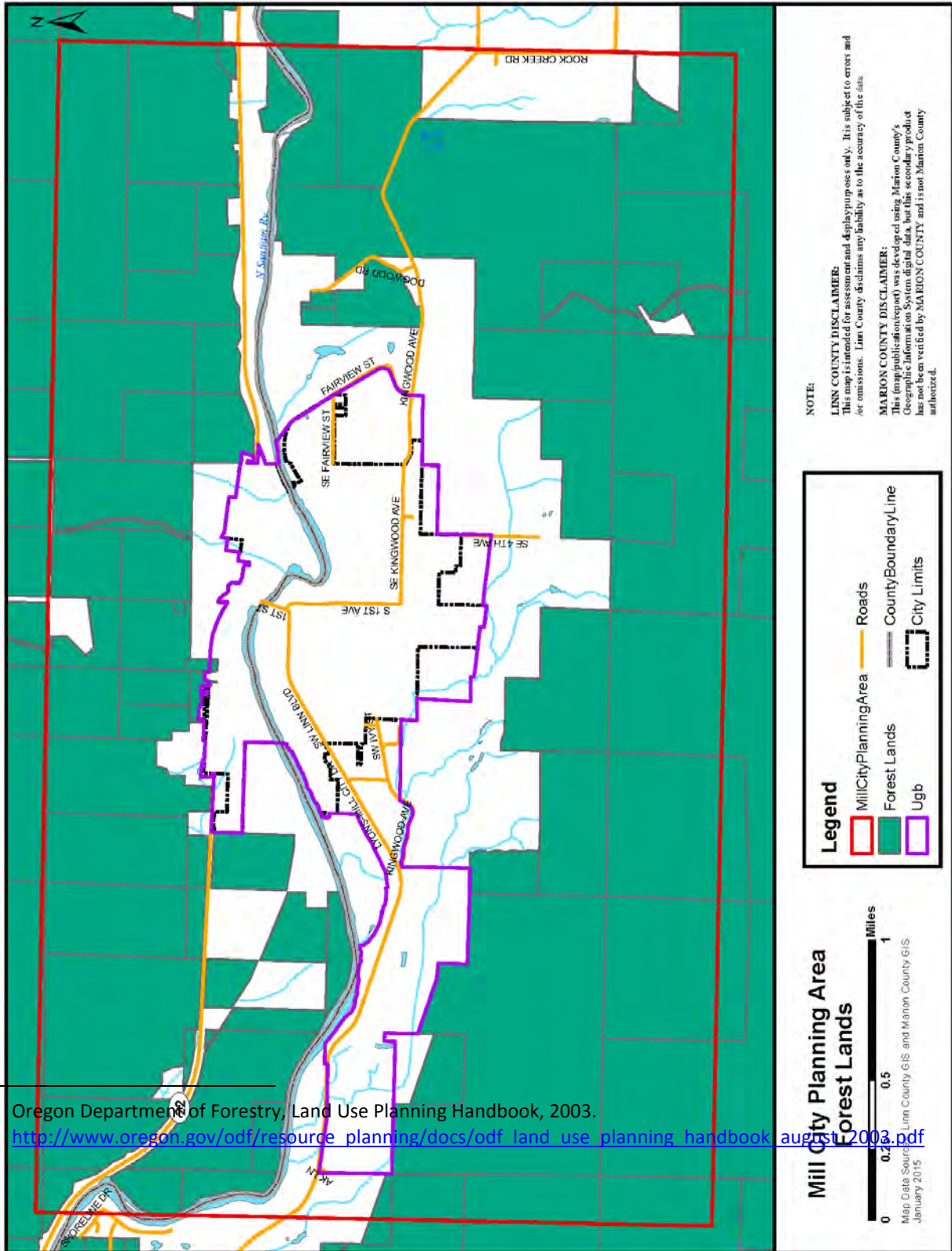
In Marion County, all land outside the Mill City UGB is designated on the Marion County Comprehensive Plan map as forest resource land. These lands are designated and zoned as Timber Conservation (TC), with a minimum parcel size of 80 acres. Large tracts of land north of Hwy 22 and the Mill City UGB are owned by private timber companies and the Bureau of Land Management (BLM) and are managed for timber harvests.

Linn County has zoned its forest lands in Farm/Forest (FF) and Forest Conservation Management (FCM) zones. At the east and west edges of the Mill City UGB near Lyons-Mill City Drive and SE Kingwood Avenue, Linn County has created some transitional areas for large lot rural residential development and exclusive farm uses before land is zoned FF or FCM. However, directly south of Mill City, there are forest resource lands on the hillside just south of the Mill City UGB and beyond the BPA electrical transmission lines.

Although most parcels adjacent to the Mill City UGB are owned by private land owner and timber companies, the Santiam State Forest comprises large tracts of state-owned forest south and east of Mill City and Gates. This portion of the Santiam State Forest includes a portion of the Snake Creek watershed, the majority of the Rock Creek watershed, Monument Peak and Niagara Park on the North Santiam River. It is managed by the Oregon

Department of Forestry to preserve the forest land base, maintain the commercial productivity of Oregon's forests and minimize the conversion of productive farmland to non-forest or urban uses.³⁶

Map NR-12
Linn County Forest Lands in the Mill City Planning Area



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Oregon Department of Forestry, Land Use Planning Handbook, 2003.
http://www.oregon.gov/odf/resource_planning/docs/odf_land_use_planning_handbook_august_2003.pdf

In the future as development reaches the edge of the City, there will be some pressure to expand the Mill City UGB and to develop adjacent forest lands. Large lot residential development, with 1-acre, 2.5 acre and 5-acre home sites, has already encroached into forest areas at east and west edges of the UGB. Prior to amending the Mill City Urban Growth Boundary and converting any additional forest lands to urban uses, the city will need to consider Goal 4 and demonstrate the city's need to expand into forest lands when expanding the UGB to accommodate future growth of the city.

5.12 Aggregate Resources

The Linn County Comprehensive Plan discusses the importance and describes the location of all known aggregate resource sites within the County. The County's Aggregate Resource Extraction Sites Map on Page 8A of the Linn County Comprehensive Plan shows there are no aggregate extraction sites identified within the Mill City UGB. Northrock, Inc. operates its Fox Valley aggregate rock pit 1.5 miles west of Mill City on Lyons-Mill City Drive. The quarry pits provide North Santiam River run rocks and boulders. The company produces crushed rocks and gravels for construction and landscaping. The Marion County Comprehensive Plan identifies an ODOT aggregate resource site on Hwy 22 near Fisherman's Bend park approximately one mile west of Mill City.³⁷

³⁷ Marion County Public Works, Map and List of Significant Aggregate Sites listed in the Marion County Comprehensive Plan. [Marion County Oregon - Mineral & Aggregate Sites](#)

GOALS AND POLICIES FOR NATURAL RESOURCES AND ENVIRONMENTAL STEWARDSHIP

STATEWIDE PLANNING GOALS

Goal 3 - AGRICULTURAL LANDS: To preserve and maintain agricultural lands.

Goal 4 - FOREST LANDS: To conserve forest lands by maintaining the forest land base and to protect the state's forest economy by making possible economically efficient forest practices that assure the continuous growing and harvesting of forest tree species as the leading use on forest land consistent with sound management of soil, air, water, and fish and wildlife resources and to provide for recreational opportunities and agriculture.

Goal 6 - AIR, WATER AND LAND RESOURCE QUALITY: To maintain and improve the quality of air, water and land resources of the state.

Goal 7 - AREAS SUBJECT TO NATURAL HAZARDS: To protect people and property from natural hazards.

NATURAL RESOURCES AND ENVIRONMENTAL STEWARDSHIP

Goal NR-1: To cooperate with local, state and federal agencies in the prevention of pollution to the land, air and water and in the protection and enhancement of sensitive environmental areas and natural resources.

NR Policy 1: The City of Mill City will cooperate with state and federal agencies which regulate environmental quality and shall adhere to the standards established by these agencies when the city is issuing any permits. This policy is intended to cover discharges and emissions which may impair air, water or land quality or exceed the established standards for noise or other emissions.

AIR QUALITY

Goal NR-2: To be treated equitably by state and federal agencies so Mill City and the North Santiam Canyon communities are not disproportionately impacted by field burning or air quality management strategies.

NR Policy 2: The City will work with state agencies to establish additional air quality monitoring stations from Mill City to Detroit to accurately measure air quality and provide better data for the state's management of smoke intrusions into the North Santiam Canyon.

NR Policy 3: The City of Mill City will work with the Oregon Department of Environmental Quality, Department of Agriculture, legislators and industry representatives to modify field burning practices to mitigate negative air quality impacts in Mill City.

NORTH SANTIAM RIVER AND ITS TRIBUTARIES

Goal NR-3: To utilize the North Santiam River as a community focus, realizing its value as a high quality water resource, a recreational venue, a natural environment and an educational study area.

- NR Policy 4: The City will encourage state agencies, Linn County, Marion County and local property owners to create opportunities for parks, public access, view points and open space adjacent to the North Santiam River.
- NR Policy 5: The City will encourage the protection of water quality and the enhancement of the riparian area and natural habitats along the North Santiam River and its tributaries including DeFord Creek, Snake Creek, Cedar Creek and Elizabeth Creek.
- NR Policy 6: The City will cooperate with the property owners, the North Santiam Watershed Council and natural resource agencies to identify and obtain funding opportunities for watershed improvements.
- NR Policy 7: The City will seek funding to complete a riparian corridor study and adopt appropriate protection measures complying with Goal 5 requirements.
- NR Policy 8: The City will participate in storm drainage improvement projects, watershed restoration and habitat enhancements within the City of Mill City's Urban Growth Boundary, particularly in the Snake Creek and DeFord Creek sub-basins of the North Santiam River watershed.
- NR Policy 9: The City will work with the Marion County Soil and Water Conservation District, Marion Weed Control District and North Santiam Watershed Council to identify and remove invasive species within the riparian zones of the North Santiam River and its tributaries.

FISH AND WILDLIFE

Goal NR-4: To protect and enhance fish and wildlife habitat for the enjoyment of citizens and the benefit of all creatures.

- NR Policy 10: The North Santiam River has been identified by federal agencies and the Oregon Department of Fish and Wildlife (ODFW) as sensitive habitat for fish and wildlife. Mill City shall cooperate with the appropriate federal agencies, ODFW, DEQ, the Oregon Water Resources Department and the North Santiam Watershed Council in efforts to protect and improve water quality in the North Santiam River and its tributaries.
- NR Policy 11: The City shall request comments from ODFW, the North Santiam Watershed Council and affected natural resource agencies on proposed land use actions which may impact riparian zones or sensitive fish and wildlife habitat inside the City and UGB.
- NR Policy 12: The City of Mill City will cooperate with local, state and federal agencies which have regulatory authority concerning the North Santiam River.

WETLANDS

Goal 7: To ensure identified locally significant wetlands will continue their functions unimpaired by development activity.

- NR Policy 13: Wetlands are sensitive habitat for fish and wildlife. Wetlands, including the locally significant wetlands identified in the Local Wetlands Inventory Report, City of Mill City, Linn and Marion Counties, Oregon, shall be provided with protection from disturbance by utilizing protection measures that comply with Statewide Planning Goal 5 and Oregon Administrative Rule 660-division 23.
- NR Policy 14: Development projects that affect wetlands shall comply with the adopted local wetlands inventory in order to protect water quality and natural hydrology, to control erosion and sedimentation, and to reduce the adverse effects of flooding and thereby protecting the hydrologic and ecologic functions these wetland areas provide for the community. Development on properties containing wetlands will be reviewed using a Site Plan Review procedure as described in the zoning code to provide maximum opportunities to protect any significant wetlands.
- NR Policy 15: The City of Mill City will notify the Oregon Department of State Lands (DSL) of land use actions that may impact locally significant wetlands.
- NR Policy 16: If locally significant wetlands exist on property proposed for annexation, the City will identify the wetlands for future park, open space and wetland reserves in order to protect their wetland functions and prevent development from encroaching into the wetlands.

FLOODING AND OTHER NATURAL HAZARDS

Goal 8: To prevent losses caused by natural disasters through the identification of natural hazards and the adoption of appropriate protection measures.

- NR Policy 17: A portion of the City is located within the 100-year flood plain of the North Santiam River and is subject to periodic flooding. The City shall regulate development within the North Santiam River flood plain in accordance with the adopted FEMA flood plain maps and the Mill City Flood Hazard Ordinance in order to minimize flood damage to properties and protect human life.
- NR Policy 18: The City will develop adopt zoning regulations and public works design standards to retain wetlands, stream channels and riparian zones in order to avoid or minimize the impact of flooding from Cedar Creek, Elizabeth Creek, DeFord Creek and Snake Creek.
- NR Policy 19: The City will work with the local, state and federal agencies to educate the citizens of Mill City about the potential threats from Natural Hazards in the community and will work with other agencies to implement the hazard mitigation strategies included in the adopted Natural Hazard Mitigation Plans.

Pages 77 to 80 Reserved for Future Expansion

Chapter 6

ECONOMY

The Economy chapter provides economic data on Mill City and the North Santiam Canyon and discusses the area's relationship to the regional economies that include Linn and Marion counties. Due to its size and location, there is limited economic data available on the local economy.

Mill City is located in the North Santiam Canyon 34 miles east of Salem, partially within Linn and Marion counties. The Marion County portion of the City is in the Salem Metropolitan Statistical Area (Salem SMSA) that includes Marion and Polk counties. The remainder of the City is in Linn County. Mill City's population of 1,870 is a small fraction of the 465,000 people within these two economic regions. Therefore a review of the available economic data may provide an accurate overview of regional information but may not accurately portray the differences and trends of the local economy in Mill City and the North Santiam Canyon.

6.1 Mill City and the North Santiam Canyon Economy

Mill City was founded in 1886, and was named after the Santiam Lumbering Company's mill that stretched along the north bank of the North Santiam River from the highway bridge to Santiam Point. The Hammond Lumber Company later purchased the mill in 1900 and greatly enlarged it in 1909. The mill soon became the largest mill in the Pacific Northwest, before it closed in 1934. After 1934, there were several other mills operating in the area. Timber based industries continue to be the primary industrial employers for the region. Large scale employment returned in 1946, when the U. S. Army Corps of Engineers began work on the Detroit-Big Cliff dam projects 15 miles east of Mill City on the North Santiam River. Work continued well into the 1950s when the dams were completed and put into service. Detroit Lake, the large reservoir created by the dam projects, continues to be heavily used for recreational purposes.

Mill City was incorporated in 1947. Since the city's incorporation, forestry and wood products industries have continuously served as major employers in Mill City and the North Santiam Canyon. Two family owned firms are the backbone of the Mill City economy. Freres Lumber Company, Inc. facilities in Lyons and Mill City manufacturing operations include small diameter and large diameter veneer plants, a veneer drying facility, a small stud mill, a plywood plant, and a cogeneration facility. Freres Veneer Plant #3 is located at the west end of the Mill City UGB. Frank Lumber Company, Inc. moved to Mill City in 1955 and employs about 120 people. The company has extensive timber holdings in the area, operates a large sawmill and planer mill in Mill City and has their corporate offices in the community. Frank Lumber cuts Coast Region Douglas Fir, and manufactures kiln dried structural lumber.

Historically, Mill City also served as a sub-regional business and service center for the communities of the North Santiam Canyon. From 1900 through the mid-20th Century Mill City had a traditional small town mix of retail, service, entertainment and professional businesses that served residents of Mill City, Gates and nearby rural areas. The vitality of Mill City's commercial core has eroded since 1960. A myriad of economic forces changed the local economic structure. Mill City's population was stagnant for four decades. The completion of the Detroit Dam construction projects, the downsizing and modernization of local wood products industries, the completion of Hwy 22 improvements to Stayton and Salem and the ease of commuting to jobs in Stayton and the Willamette Valley, the concentration of retail centers and services in larger cities, the advent of the Internet and general societal changes all contributed to the decline of Mill City's commercial base.

Despite these changes, Mill City anticipates it will continue to serve as a local small business, education and service center for the 5,000 to 6,000 residents of the North Santiam Canyon and will serve the traveling public

along the Hwy 22 corridor with various leisure and recreational services. The City anticipates Mill City will maintain its existing share of hospitality businesses, restaurants, professional, financial, real estate, service stations, repair and service shops and personal service businesses because they primarily serve the daily needs of local residents. Improvements to Highway 22 from Salem to the Santiam Pass have also made Mill City, Detroit Lake and Cascade mountain recreation areas more accessible to the local residents and travelers commuting between the Willamette Valley and Central Oregon. The easy access promotes the leakage of retail sales to larger communities in the Valley, but also creates some opportunities for development of more hospitality and recreation based small businesses. Forest products industries, including lumber, plywood, value –added wood products and specialty forest products, are expected to provide the manufacturing employment base in the 21st century with employment provided by local firms, including Frank Lumber Company, Inc. and Freres Lumber Company, Inc. at their facilities at the west edge of Mill City.

6.2 Employment Characteristics

The City has compiled employment data for Mill City, the North Santiam Canyon, Linn and Marion counties and the State of Oregon. Employment levels in the mid-Willamette Valley grew from 2000 to 2008 as the area population and economy grew quickly. Total employment in Linn and Marion counties reached a peak of 188,816 persons employed in the 3rd Quarter of 2008.

The onset of the Great Recession in November 2008 caused overall employment in the region to drop by 10% to 172,102 in 2010. Although job recovery has occurred between 2010 and 2014, the total number of jobs remains below the pre-recession peak. Three hard hit job sectors were construction, manufacturing and natural resources, which includes agriculture, forestry and logging industries. Each of these is important employment sectors in the North Santiam Canyon.

Table EC-1 provides an overview of employment levels by industry in the two-county area from 2002 to 2014. Employment sectors which gained employment during the past decade include government, education, health-care and leisure/hospitality services.

Table EC-1
Employment by Industry – Marion & Linn Counties

| Industry | 2002 | 2006 | 2010 | 2014 |
|---|----------------|----------------|----------------|----------------|
| Natural Resources & Mining | 10,714 | 11,607 | 10,922 | 9,701 |
| Construction | 8,044 | 10,780 | 7,316 | 8,112 |
| Manufacturing | 20,071 | 20,770 | 16,119 | 15,890 |
| Wholesale Trade | 4,603 | 5,132 | 4,682 | 4,815 |
| Retail trade | 18,946 | 21,272 | 19,181 | 19,902 |
| Transportation, Warehousing & Utilities | 5,259 | 5,533 | 5,547 | 5,859 |
| Information | 2,207 | 1,851 | 1,566 | 1,301 |
| Financial Activities | 6,765 | 7,288 | 6,513 | 6,867 |
| Professional & Business Services | 13,472 | 15,185 | 13,668 | 14,134 |
| Education and Health Services | 18,850 | 19,965 | 22,872 | 24,689 |
| Leisure and Hospitality | 13,192 | 13,983 | 13,670 | 14,514 |
| Other Services & Non-Classified | 6,337 | 6,450 | 6,711 | 6,518 |
| Government | 38,504 | 40,319 | 43,335 | 42,066 |
| Totals | 166,964 | 180,135 | 172,102 | 174,368 |

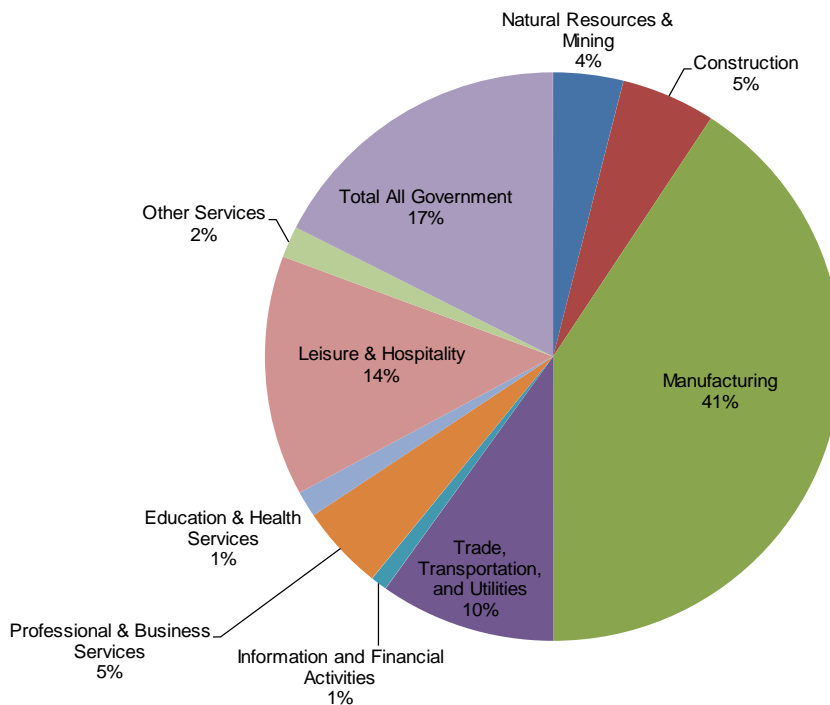
Source: Oregon Employment Department

Mill City and the North Santiam Canyon are more reliant on the manufacturing and natural resource based industries than the two counties. Table EC-2 shows the allocation of employment by job sector in the North Santiam Canyon in the year 2012. Manufacturing comprises 41% of employment, which is a significantly higher share than in Linn County (17%), Marion County (7%) or the State of Oregon (3%). Top job sectors in the North Santiam Canyon are:

- Manufacturing 41%
- Government 17%
- Leisure and Hospitality 14%

Oregon Employment Department staff do not anticipate any major changes to the distribution of employment across these job sectors during the next decade.

Table EC-2
North Santiam Canyon Employment by Industry, 2012



Source: Oregon Employment Department, Covered Employment and Wages.

Table EC-3 focuses on Mill City residents only. It shows the occupations for Mill City residents employed in 1990, 2000 and 2012. The number of employed residents who live in Mill City has stayed constant during the past 25 years, although the types of employment have changed. The number of Mill City residents in manufacturing, construction and retail trade has declined, while the number of people employed in natural resources industries, educational services, health care professions and government has increased.

The increase in natural resource jobs indicates some job recovery in the 1990's and 2000's from the major losses in forest resource that occurred in the 1980s and 1990s. The additional professional and government sector jobs is similar to the overall increase in residents employed in these job sectors throughout the Mid-Willamette Valley region.

Table EC-3
Occupations of Employed Mill City Residents

| Industry | 1990 | 2000 | 2012 | % change 1990 to 2012 |
|---|------------|------------|------------|--------------------------|
| Agriculture, forestry, and fisheries and mining | 39 | 34 | 67 | 72% |
| Construction | 13 | 54 | 7 | -46% |
| Manufacturing | 212 | 143 | 142 | -33% |
| Wholesale trade | 7 | 16 | 0 | -100% |
| Retail trade | 65 | 41 | 34 | -48% |
| Transportation, warehousing & utilities | 15 | 19 | 21 | 40% |
| Communications and information services | 20 | 19 | 5 | -75% |
| Finance, insurance, and real estate | 17 | 19 | 12 | -29% |
| Professional and related services | 16 | 19 | 22 | 38% |
| Educational services & health care | 62 | 129 | 124 | 100% |
| Entertainment and recreation services | 6 | 67 | 22 | 267% |
| Personal and other services | 11 | 18 | 29 | 164% |
| Government / Public administration | 52 | 48 | 82 | 58% |
| Total | 535 | 626 | 567 | 6% |

Sources: U.S. Census Bureau: 1990 Census, 2000 Census and the 2012 American Community Survey Selected Economic Characteristics.

A majority of Mill City’s residents do not work within the city limits; they commute to their jobs. The percentage of people working near home continues to decline. In 1990 30.8% of the city’s employed labor force worked within the city limits. In 2012, the labor force had grown by 30 workers, but only 135 residents (27 less than in 1990) worked within the city. The totals are summarized in Table EC-4. The increasing number of commuters is consistent with Mill City’s transition over the past four decades to an outlying town at the periphery of a larger metropolitan area.

Table EC-4
Mill City Resident Place of Employment

| Place of Employment | 1990 | 2000 | 2012 |
|---|------------|------------|------------|
| Worked outside Mill City | 364 | 441 | 421 |
| Worked within Mill City | 162 | 165 | 135 |
| Total Mill City Residents Employed | 526 | 606 | 556 |
| Percent employed within Mill City | 30.8% | 27.2% | 24.3% |

Sources: U. S. Census Bureau: 1990 Census, 2000 Census and the 2012 American Community Survey Selected Economic Characteristics. Note: The 2012 ACS number for employed residents by place of employment was 556 versus the 567 number of employed residents listed by occupation.

The jobs to population ratio also provides an indicator of the strength of the local economy and whether or not a community is an employment center. Table EC-5 shows Mill City has a significantly lower jobs to population ratio than is found in Linn County, Marion County and the State of Oregon.

Table EC-5
Jobs to Population Ratio -2013

| | July 2013 Population | Total Jobs | Jobs to Population Ratio |
|-----------------|-------------------------|------------|-----------------------------|
| Mill City | 1,870 | 392 | 0.21 |
| Linn County | 118,665 | 40,673 | 0.34 |
| Marion County | 322,880 | 134,997 | 0.42 |
| State of Oregon | 3,919,020 | 1,679,377 | 0.43 |

Source: Oregon Employment Department, 2012 Covered Employment

6.3 Impact of the Great Recession

The Great Recession which began in late 2008 caused job losses in construction, housing and resource based industries in Linn and Marion counties. This had a significant economic impact on Mill City and the communities east of Salem in the North Santiam Canyon. Table EC-6 shows that employment and payroll in the North Santiam Canyon declined by 20% from 2007 to 2009. More than 250 jobs were lost and payroll declined by \$9.4 million (from \$47.8 million to \$38.4 million).

Stayton, mid-way from Salem to Mill City, is a sub-regional employment center with a strong commercial, industrial and professional job base. Stayton's Wilco Road industrial area has a mix of general contractors, manufactured home builders and secondary wood products industries. The City of Stayton lost more than 750 manufacturing and construction jobs when two major employers, Phillips Industries and Karsten Homes, closed their facilities in 2008 and 2009 and Emery & Sons, General Contractors, moved its corporate offices and all yard operations to Salem.

The good news for Mill City and the North Santiam Canyon is that the local economy has seen a recovery from the 2009 recession lows, as shown in Table EC-6.

- Employment has somewhat recovered jobs (2009 – 1,248 jobs, 2013 – 1,447 jobs).
- Total annual payroll increased by 14 percent from 2007-2012. (County = 3%, Oregon 6%).
- Average annual pay jumped by 16 percent in 2012.

Table EC-6
North Santiam Canyon Total Employment and Payroll

| Year | Number of Establishments | Employment | Total Payroll | Average Annual Pay |
|------|-----------------------------|------------|------------------|-----------------------|
| 2006 | 156 | 1,505 | \$ 46,536,583 | \$ 30,921 |
| 2007 | 161 | 1,488 | 47,799,505 | 32,123 |
| 2008 | 151 | 1,406 | 44,281,924 | 31,495 |
| 2009 | 145 | 1,248 | 38,387,847 | 30,759 |
| 2010 | 155 | 1,353 | 43,580,436 | 32,210 |
| 2011 | 150 | 1,346 | 45,051,450 | 33,471 |
| 2012 | 149 | 1,400 | 54,509,026 | 38,935 |
| 2013 | 149 | 1,447 | 52,989,605 | 36,620 |

Sources: Oregon Employment Department; Mid-Willamette Valley Council of Governments

The North Santiam Canyon economy has historically lagged well behind the population growth and economic expansion seen in the mid-Willamette Valley. Table EC-7 provides a snapshot of the Mill City economy in 2012 in relation to nearby communities. Mill City has a:

- Significantly lower per capita income.
- Higher unemployment rate than in other nearby communities.
- Significantly higher poverty level.

Table EC-7
2012 Income & Employment Characteristics
North Santiam Canyon Communities

| | Mill City | Lyons | Gates | Detroit | Idanha | Oregon Average | US Average |
|----------------------------|------------------|--------------|--------------|----------------|---------------|-----------------------|-------------------|
| Per capita income | 17,012 | 24,235 | 20,524 | 20,368 | 14,525 | 26,011 | 28,051 |
| Unemployment | 17.4% | 4.9% | 16.7% | 0 | 7.7% | 8.8% | 6.0% |
| Persons below Poverty Line | 24.6% | 6.9% | 23.9% | 8.9% | 10.5% | 17.2% | 14.9% |

Sources: US Census Bureau, 2012 American Community Survey; Mid-Willamette Valley Council of Governments; Oregon Employment Department.

Table EC-8 shows the increase in unemployment rates from 2007 to 2014 in area cities, Marion and Linn counties and the State of Oregon. The table shows manufacturing and resource dependent communities such as Stayton, Lebanon and Mill City had significant jumps in the unemployment rates that either equaled or exceeded the regional and state unemployment rates. Jobless rates have improved from 2010 to 2013, but have not approached the pre-recession unemployment rates.

Table EC-8
Average Annual Unemployment Rates

| Place | 2000 | 2007 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Mill City | 9.6 | 10.1 | 21.0 | 20.3 | 18.5 | 17.4 | 15.4 | 12.5 |
| Aumsville | 6.9 | 7.6 | 16.0 | 16.1 | 15.0 | 14.1 | 12.1 | |
| anon | 6.3 | 6.5 | 14.4 | 13.8 | 12.4 | 11.6 | 10.2 | 7.1 |
| Scio | 3.2 | 3.4 | 7.8 | 7.4 | 6.6 | 6.1 | 5.3 | 3.9 |
| Stayton | 5.0 | 5.6 | 12.1 | 12.1 | 11.2 | 10.6 | 9.0 | 10.5 |
| Sublimity | 1.9 | 2.1 | 4.6 | 4.7 | 4.3 | 4.1 | 3.4 | |
| North Santiam Canyon | 8.3 | 9.0 | 18.6 | 18.3 | 16.8 | 15.8 | 13.8 | 12.0 |
| Linn County | 6.6 | 6.3 | 13.8 | 13.3 | 11.8 | 11.0 | 9.7 | 8.5 |
| Marion County | 5.5 | 5.4 | 10.9 | 10.9 | 10.4 | 9.7 | 8.4 | 7.3 |
| Salem SMSA | 5.4 | 5.3 | 10.6 | 10.7 | 10.1 | 9.5 | 8.2 | 7.2 |
| Oregon | 5.1 | 5.1 | 11.1 | 10.6 | 9.4 | 8.8 | 7.7 | 6.9 |

Source: Oregon Employment Department

6.4 Economic Trends

The preceding sections describe economic characteristics of Mill City and the North Santiam Canyon, but do not discuss the larger national, state and regional economic trends that have affected the community. These national and state trends are summarized and analyzed in several studies that include the North Santiam Canyon in the study area.

This section focuses on some of the regional, county and local economic trends that impact Mill City. The City reviewed an Economic Opportunities Study for the North Santiam Canyon prepared by the Mid-Willamette Valley Council of Governments in 2014¹ and several other studies which document the changes that have affected the economy of Mill City and the North Santiam Canyon. The City also talked with representatives from the Oregon Employment Department and the North Santiam Canyon Economic Development Corporation.

1. 2006 OSU Extension Service Study – Detroit Lake and Upper North Santiam Canyon

A 2006 Oregon State University Extension Service study “*Economic Impact Study for Detroit Lake and the Upper North Santiam Canyon*” looked at changes that had occurred in the North Santiam Canyon economy for the thirty years from 1970 to 2000 and included an economic assessment and opportunity analysis for the region. The study relied on economic data from Census Tract 106, which covers all of eastern Marion County from Lyons/Mehama east to the Cascade mountain summits, including Mill City, Gates, Idanha and Detroit. The report drew several conclusions:

- The North Santiam Canyon region suffered an extensive economic realignment due to the early 1980’s recession, federal forest harvest policies which led to a major decline in logging, the loss of local wood products firms and the modernization of forest products industries which created more efficient industries operating with fewer employees.
- Employment growth occurred between 1970 and 2000, but it was slower than Oregon’s overall job growth and new jobs were in lower paying service job sectors, not manufacturing.
- Household income growth was significantly less than Oregon and the U.S.
- In 2000, 60% of the North Santiam Canyon economy was driven by manufacturing and natural resource based industries and 20% of economic activity was generated from leisure services / recreation based businesses.

Opportunities:

- Timber based manufacturing and natural resource industries will continue to be the economic engine for the North Santiam Canyon.
- Recreation based / leisure services businesses within the North Santiam Canyon may provide economic opportunities in the future.
- Detroit Lake, the North Santiam River and nearby campgrounds provide excellent water-based recreation opportunities. The North Santiam Canyon is close Oregon’s population centers and is a major travel corridor between the Mid-Willamette Valley and Central Oregon’s recreation areas.

¹ *North Santiam Canyon Economic Opportunity Study*, Mid-Willamette Valley Council of Governments, September 2014 (DRAFT).

Challenges

- Flood management requirements of the US Army Corps of Engineers and fisheries management actions of federal and state natural resource agencies impact lake levels and the North Santiam River flows. These actions affect recreational users of the North Santiam River and Detroit Lake. The potential for low water levels at Detroit Lake create uncertainties and appear to limit investments in recreation / tourist based businesses.

2. **2014 Mid-Willamette Valley Council of Governments – Economic Opportunity Study Update for the North Santiam Canyon**

In 2014 the Mid-Willamette Valley Council of Governments prepared an update of a 15-year old economic opportunity study of the North Santiam Canyon for the Marion County Commissioners. The original study was prepared in 2000 in response to the creation of the Opal Creek Wilderness and Scenic Recreation Area and the loss of timber revenues and manufacturing jobs due to the closure of this portion of the Willamette National Forest.

The report focuses on the North Santiam Canyon, a 670 square mile area in the North Santiam River watershed above river mile 37. It includes five incorporated cities (Lyons, Mill City, Gates, Detroit and Idanha) and a number of unincorporated communities (Mehama, Elkhorn, Fox Valley, Niagara, Breitenbush and Marion Forks). The study area includes the Detroit Lake Recreation Area and recreation sites along the Little North Fork, North Santiam River and Breitenbush rivers.

The 2014 Economic Opportunities Study provides current data on the local economy, summarizes development constraints, and analyzes commercial and industrial land needs to meet the needs of Canyon residents and visitors. It draws similar conclusions as the 2006 OSU Extension Service report. The most significant barriers to future economic development in all of the North Santiam Canyon communities were found to be:

- Inadequate infrastructure to support economic development.
- Environmental concerns with commercial and industrial properties.
- A regional economy largely dependent on forest products industries.
- Low income levels and lack of employment opportunities.

Not all of these constraints apply to Mill City. Mill City is the one community in the North Santiam Canyon which has a sanitary sewer system and has completed water (2004) and sewer (2008) improvement projects in the past 10 years. The report notes Mill City has an adequate supply of available commercial and industrial land and existing industrial sites do not have Brownfield or environmental obstacles.

The 2014 MWVCOG report recommends a series of economic development strategies and proposed public investments for the communities in the North Santiam Canyon from Lyons/Mehama east to Marion Forks. The report presents a list of economic objectives, identifies future public infrastructure and redevelopment projects and prepares Marion County and the cities in the North Santiam Canyon to take advantage of state and federal funding opportunities which may arise.

North Santiam Canyon Economic Objectives:

1. Build the capacity of the region to attract and accommodate new job creating development by investing in public infrastructure. The report includes a list of public infrastructure projects including Hwy 22 transportation system improvements, water and sewer facility projects and broadband infrastructure upgrades.
2. Seek to diversify the regional economy by supporting small business development in such industries as tourism;
3. Take measures to insure that existing vacant industrial and commercial sites with environmental problem areas are cleaned up and ready for new uses; and
4. Improve the quality of life in North Santiam Canyon communities by strengthening schools and other public services and by taking steps to improve the appearance of communities.

In order to achieve the identified objectives the study recommends the Marion County Board of Commissioners create a Regional Investment Board (RIB) comprised of economic professionals and representatives of state, county and local governments. The focus of the Regional Investment Board will be to prioritize projects, seek federal and state assistance for public infrastructure investment and support local economic activities.

3. Ten-Year (2012-2022) Employment Forecasts for the Mid-Willamette Valley Regions

In March 2014, the Oregon Employment Department released the 10-year employment forecast for Region 3 (Marion, Polk and Yamhill counties) and Region 4 (Linn, Benton and Lincoln counties). Both areas were reviewed because the North Santiam River divides the regions and Mill City and the North Santiam Canyon are partly within each region.

Overall, these two regions are estimated to add 37,220 jobs over the 10-year period. Region 3 is projected to add 25,500 jobs from 2012 to 2022, a 14 percent increase in employment. Private-sector employment will add 22,000 jobs and government sectors will add 3,500 government jobs. Region 4 is projected to add 11,770 jobs from 2012 to 2022, a 12% increase during the 10-year period. Private sector employment will add 10,500 jobs and government sectors will add 1,270 jobs.²

The Oregon Employment Department concludes job growth will occur in certain job sectors due to the effects of a number of broad societal trends:

- overall statewide economic recovery after the Great Recession
- the need to replace jobs for baby boomers retiring from the work force
- new jobs will require workers with advanced training, post-secondary education and/or college degrees.
- growth in the private education and health care sectors to serve an older population
- expansion of professional services, leisure services and retail service jobs
- rebound of construction related industries

² Oregon Employment Department, Region 3 and Region 4, 2012-2022 Long Term Projections.
[OLMIS - Long-Term Projections Show Broad-Based Job Opportunities in Benton, Lincoln, And Linn Counties;](#)
[OLMIS - Long-Term Projections Show Broad-Based Job Opportunities in Marion, Polk, and Yamhill Counties](#)

Although overall economic growth is projected to be strong, there are several job sectors which are expected to buck these trends. The total number of federal government jobs is expected to decline. Manufacturing employment levels will remain flat. Natural resources industries and local government, including education, are projected to grow slowly during the next 10 years.

Oregon Employment Department workforce analysts find the North Santiam Canyon relies on manufacturing, natural resources, recreation and leisure services and local government as its major employers (see pie chart Table EC-2 above). Since the 10-year employment projection anticipates these job sectors will have slower job growth, this means the small communities in the North Santiam Canyon will face challenges in adding employment during the next 10 years.³

The 10-year projection identifies leisure and recreation services job sector is expected to provide opportunities for future job growth for the North Santiam Canyon. Since hospitality services (restaurants, lodging, convenience stores and similar businesses) are not well developed along the Hwy 22 corridor in the North Santiam Canyon from Lyons/Mehama to Detroit there is an opportunity to upgrade and expand these services. Tourism based economies require attractions or other reasons for people to stop and contribute to the local economy. Communities will need to create a coordinated marketing plan to inform the traveling public of the recreational opportunities that exist along the North Santiam River, at Detroit Lake and in the Willamette National Forest if they hope to expand their hospitality/leisure service business base.

4. North Santiam Canyon Economic Development Corporation (NSCEDC) and GROW EDC:

The North Santiam Canyon Economic Development Corporation (NSCEDC) was founded by the North Santiam Chamber of Commerce in 1996, in response to the declines in the local job base and to address economic opportunities created by the formation of the Opal Creek Wilderness and Scenic Area. During the late 1990's business and community members worked with county, state and federal officials to organize the NSCEDC and formulate a cohesive economic development strategy for the North Santiam Canyon.

In 2010 the NSCEDC board updated its 5-year strategic plan and adopted goals and policies focused on assisting entrepreneurs and small businesses. The top strategic plan goals are:

Goal 1 - Promote job creation through small business development and support

Goal 2 - Develop and sustain a local microenterprise training program

Goal 3 - Sponsor small business forums⁴

The NSCEDC established GROW EDC in the fall of 2008 to offer business assistance services with funding provided by USDA, Marion County, foundations, local governments, local businesses and individuals. At that time they also expanded the NSCEDC's service area to include Stayton, Sublimity, Aumsville and Scio and the adjacent rural areas.

³ Interview with Will Summers, Workforce Analyst, Albany office of the Oregon Employment Department. September 4, 2014.

⁴ North Santiam Canyon Economic Development Corporation website. [NSCEDC – GROW EDC](#). The North Santiam Economic Development Corporation dba GROW EDC. GROW EDC established "GROW North Santiam", its consulting and microenterprise business assistance program, to provide direct business assistance services. All entities are referred to as "GROW".

Using CDBG grant funds GROW initiated a microenterprise training program to assist aspiring entrepreneurs and businesses with 5 or fewer employees, particularly those from low/moderate income households. GROW North Santiam, the consulting program and supporting workshops, offers free, confidential, one-on-one business coaching to any individual, entrepreneur and small business owners in the region (Aumsville/Stayton/Scio to Marion Forks) that wants to open, expand or improve a business. Since its inception GROW has provided direct services to the region's home-based businesses, store-front businesses, non-profit groups and civic organizations. In the first six years of the program, GROW has worked with more than 50 businesses, aspiring entrepreneurs and organizations in the Mill City zip code area. The majority of businesses assisted came from the retail, wholesale, services and leisure/hospitality job sectors.

GROW services are designed to encourage businesses to set up a solid management framework and develop essential skills that will increase the likelihood of success. Business assistance services focus on sales/marketing, financial management and overall business management skills. Emphasis is placed on identifying existing strengths of the business owners/managers and then networking with others to provide assistance in skill areas where the business owners/managers do not have either strong skills, business acumen or interest. The GROW program requires a high degree of collaboration and networking among its participants. GROW follows an expanded Enterprise Facilitation model which has proven itself in rural areas around the world: 80% of the businesses world-wide that follow this model remain in business after four years. In addition to direct one-on-one business assistance, GROW has offered 20-40 business training programs and workshops per year and has created a young professionals group.⁵ GROW EDC continues to be involved in larger economic development projects throughout the region, and is holding its first North Santiam Regional Economic Vitality Summit in spring 2015.

GROW staff has observed several trends in the North Santiam Canyon from 2009 to 2014 that reflect improvements in the local economy:

- GROW participants have evolved from the initial low-skilled, low-income participants to business owners and new entrepreneurs who are skilled, successful and have moderate incomes.
- Some of the business owners who elected to close their businesses have taken jobs in their professional field because new job opportunities have been created in the labor market.
- The labor market requires skilled, well-trained employees. Selected local employers are having more difficulty finding skilled, trained applicants for job openings. Some job vacancies in the education and service sectors have gone unfilled.
- There is a continuing need for workforce training and life-long learning educational programs to provide a qualified skilled labor force.
- Investments are occurring in Canyon communities. Commercial properties are being acquired and renovated, particularly in Mill City.

6.5 Community Economic Potential

Mill City has witnessed a century-long transition from its origins as a logging community at the edge of a virgin forest to a small city. The community remains heavily reliant on forest products, but located along a main highway artery that connects the mid-Willamette Valley to Central Oregon and serves as a gateway to nearby Cascade mountain and North Santiam River recreation areas.

⁵ Interview with Allison McKenzie, Executive Director, GROW EDC, North Santiam Economic Development Corporation, September 2014.

This section discusses factors that have affected Mill City’s development in the past, identifies factors currently affecting the local economy and then discusses the potential for future economic development within the City and surrounding area.

1. **Factors Affecting Economic Development**

Mill City’s economic history is discussed at the beginning of this chapter. Several key events and factors have influenced the development and changes in the local economy. They include the growth and decline of forest products industries in the City and the changes to the industrial job base; the construction of the Detroit and Big Cliff dams; the development and improvement of Hwy 22 and the change in the commercial / service job base.

a. Industrial Sector Jobs: Natural resource and manufacturing jobs in the forest products industries have been the backbone of the Mill City and North Santiam Canyon economy for the past century. The community has relied on high-paying manufacturing jobs and the sale of lumber, veneer and value-added wood products as the economic engine that drives the local economy.

Two major employers: Frank Lumber Company, Inc. and Freres Lumber Company, Inc. operate successful facilities in Mill City and Lyons. In 2012, 41% of all jobs in the North Santiam Canyon were in the manufacturing sector, primarily wood products. Oregon’s wood products industry reacts strongly to national / international economic trends and the cyclical nature of the industries can be expected to continue. Federal forest management regulations, environmental issues, and timber harvest rules will continue to affect the health of the forest products industries in Oregon. The 10-year projection is that wood products manufacturing will continue to be the backbone of the North Santiam Canyon economy.

Overall, Mill City and the North Santiam Canyon do not anticipate significant job growth in the manufacturing and other industrial sectors. In 2007, E.D. Hovee & Company, LLC prepared a *Regional Economic Profile & Strategic Assessment*, of the three-county Marion, Polk and Yamhill region for the Salem Economic Development Corporation (SEDCOR). The study included a “comparative advantage” assessment for the region that analyzed the local work force, jobs, wages, and other factors in order to identify business clusters and job sectors where the 3-county area has a strong competitive advantage. The report identified seven job clusters areas with potential for significant job growth in the Salem metropolitan area. Only two of these, (1) value added forest products and (2) small business entrepreneurship, appear to be opportunities in the North Santiam Canyon.⁶

The Oregon Employment Department’s 10-year employment projections (2012-2022) for Regions 3 and 4 that include Linn County and Marion County. *Despite significant job growth anticipated in both regions, OED staff expects employment growth in the North Santiam Canyon will be limited to the leisure/hospitality service sector, some jobs in construction and no manufacturing sector growth.*

b. North Santiam Canyon and Willamette National Forest Recreation Areas: The construction of Detroit and Big Cliff dams and forest harvesting/management activities have literally and figuratively changed the landscape of the North Santiam Canyon. Recreation areas at Detroit Lake and riverside parks, campgrounds and Sno-parks along the North Santiam River travel corridor are a direct result of these federal projects and the development of the North Santiam Highway to Central Oregon. Hospitality, leisure and recreation oriented businesses have been developed throughout the North Santiam Canyon along Hwy 22 with a strong business cluster in the city of Detroit at the east end of Detroit Lake. State and federal officials see significant opportunities for increased eco-tourism and recreation-based businesses throughout the

⁶ *City of Aumsville Economic Opportunity Analysis*, E. D. Hovee & Company, LLC and the Morgan CPS Group, June 2011, p. 20.

North Santiam Canyon. The U.S. Forest Service manages nearby federal recreation sites and forest management activities in the Willamette National Forest out of its Detroit Ranger Station.

Another consequence of the federal dam construction projects is that a large percentage of Mill City's housing stock was built to accommodate workers in the 1950's. Many of these homes are now used as rental properties or have reached the end of their useful life. They provide affordable housing for low to moderate income families, but are in need of rehabilitation, repair or demolition. *U.S. Census income and housing data show that Mill City has lower per capita incomes, lower housing values, lower educational attainment levels and a higher poverty rate than surrounding communities.*

c. Proximity to Oregon Highway 22: Oregon State Hwy 22 is the primary transportation route from I-5 and the mid-Willamette Valley to Central Oregon. Over the past 20 years, the Oregon Department of Transportation has made significant improvements to the 30 mile stretch of Hwy 22 from Salem to Mill City and also through the N. Santiam Canyon to Sisters/Bend. A four lane divided highway extends for almost 20 miles east of I-5 and carries a 55 mph speed limit for almost the entire distance to Mill City. In 2012, the average daily traffic counts at the west city limits of Mill City was 7,000 vehicles per day.

Hwy 22 has several economic impacts on Mill City:

- **Commuting to jobs.** Mill City residents can commute to jobs in Salem (30 miles in 30-35 minutes) and Stayton (18 miles – 20-25 minutes). This creates opportunities for new housing development in Mill City for people wanting to live in a small town close to recreation areas. As Mill City's population grows, it will become more of a bedroom community in the future.
- **Access to retail shopping and services.** Mill City is now within the Salem and Stayton market areas. Retail stores, professional services, health care facilities and other businesses in these larger cities are accessible for Mill City residents. This will pose challenges for local businesses and will make it difficult to provide many goods and services locally.
- **Gateway to Recreation Areas.** Mill City is 30 miles east of I-5 along the Hwy 22 corridor. As a gateway to the North Santiam River, Detroit Lake and Willamette National Forest recreation sites, the community has the opportunity to capitalize on the recreation oriented traffic to Detroit Lake (20 miles east), Cascade Mountain recreation sites (30 to 60 miles) and Central Oregon/Bend (100 miles).

d. Mill City's Commercial / Service Sectors: Mill City's commercial and service sectors have changed over the past four decades with the loss of many small retail businesses and personal service establishments. Prior to improvements to Hwy 22 and struggles of the local forest products industries in the late 20th century, Mill City's business community had a traditional small town mix of retail business and services. In 2001, the Oregon Downtown Development Association provided a resource team to assess Mill City's business areas. The report noted several competitive advantages or attributes:

Competitive Advantages

- Access and Proximity to Hwy 22
- North Santiam River access and park facilities
- Schools and government service center for Canyon residents
- Available Public Facilities: water, sewer and transportation
- Existing business anchors: groceries, hardware/building supplies, post office, medical and dental clinics, personal services
- Small town atmosphere and unique community events

There have been a few changes since 2001 which strengthen these competitive advantages. All K-12 students in the Santiam School District now attend school in Mill City making the local schools the center of all educational programs and extra-curricular activities.

The City of Mill City has:

- upgraded the municipal water system in 2004;
- constructed 20,000 lineal feet of larger water mains, particularly in the downtown business area and along Hwy 22;
- upgraded the wastewater treatment facilities in 2008
- added park and playground improvements to Kimmel Park, the city's largest community park;
- constructed a new City Hall; and
- adopted long-term plans for Hwy 22, storm drainage, recreational trail development and community park improvements.

Competitive disadvantages and challenges for Mill City's commercial districts were also identified by the ODDA resource team and by MWVCOG in the *2014 North Santiam Canyon Economic Opportunities Study*. In a 2014 MWVCOG workshop co-hosted by GROW EDC, economic development professionals and community members identified a few additional challenges to the development of a healthy mix of small businesses.

Competitive Disadvantages and Challenges

- Proximity to Stayton/Salem and the resultant retail/service sales leakage
- Lack of a cohesive business district
- Physical appearance of the community and the lack of building/property maintenance
- Absence of a positive community image and business identity⁷
- Existing housing stock within and adjacent to the commercial zones is older and in need of demolition, repair or rehabilitation.
- Aging of small business owners in Canyon communities and the potential loss of these businesses in the near future.
- Lack of a coordinated Canyon-wide marketing/tourism promotion effort⁸

The ODDA resource team identified several opportunities for Mill City to revitalize its commercial base with an emphasis on business retention, providing goods and services for local residents and visitors and recruit businesses hospitality/leisure and recreation services that complement the existing business mix or capitalize on the tourism potential of the community.

2. Economic Potential and Opportunities

The City and other agencies have identified some opportunities for meaningful economic growth in Mill City over the 20-year planning period from 2015 to 2035.

a. Industrial/Employment Sectors: Industrial sector job growth in the North Santiam Canyon is expected to be minimal, despite the significant job growth projected for Linn and Marion counties. New manufacturing jobs in the City may be dependent on the ability of Mill City's two major employers to add jobs. Job growth in the Salem metropolitan area will mean Mill City residents will have employment opportunities, but must commute to work.

⁷ Pages 21-24, *Resource Team Report for Mill City, Oregon*. Oregon Downtown Development Association, 2001.

⁸ Interviews with Allison McKenzie, NSCEDC - GROW EDC, Mill City staff and Mill City Planning Commission.

Mill City has 51 acres of buildable land designated for industrial use in the Mill City UGB. These sites are not inside the City and do not have city water and sewer services. They are not shovel ready industrial sites. If the City wishes to attract or accommodate new industries, city officials will need to work with the NSCEDC and state economic development agencies to finance and extend infrastructure improvements on Lyons-Mill City Drive to the available industrially-zoned land.

b. Recreation / Tourism: There is significant potential to build a tourism economy in the North Santiam Canyon. Mill City has several assets it can capitalize on to capture a share of this potential tourist economy:

- **North Santiam River:** The ODDA resource team members advised the community to take advantage of the natural beauty of the river and community setting. They stated the North Santiam River is “*a completely hidden jewel from highway passers-by. . . . The vast majority of people do not have any indication of the river, park, walking bridge/trail, salmon viewing, fishing opportunities and other recreation related opportunities. **The North Santiam River is key to Mill City’s potential as a visitor destination.**”⁹*
- **Coordinated Marketing/Tourism Promotions:** The NSCEDC or a regional consortium can develop a coordinated marketing strategy and program for the North Santiam Canyon as a year-round recreational destination.
- **Hospitality and Traveler Oriented Services on Hwy 22:** Mill City has a basic mix of traveler oriented businesses including a gas station, restaurants, coffee shop, sporting goods and convenience stores along Hwy 22. Upgrading existing businesses and adding new businesses to the mix will enhance Mill City’s role as a business/service center.

There are 15+ acres of vacant or redevelopable land inside the City along Hwy 22. Mill City’s Hwy 22 corridor is not visually attractive. Demolition / repair and revitalization of individual buildings, general maintenance, improved signage and landscaping are all needed to enhance the appearance of the community and identify Mill City as a stopping place for travelers going to/from recreation sites and Central Oregon.

- **Wall Street / Mill City Falls Park / RR Trail / Canyon Life Museum:** The city has a unique opportunity to create an historical / cultural destination point on Wall Street, just off Hwy 22. The Canyon Life Museum, recently renovated bank building, historic railroad bridge and the Mill City Falls Park can create a destination point for visitors traveling on Hwy 22. This area can be developed as a unique public gathering place and an important community focal point. There is potential for redevelopment of two of Mill City’s early 20th century structures on Wall Street. The existing kayak business can be enhanced by a cluster of other tourist oriented businesses such as a restaurant, micro-brewery or similar establishments.

c. Small Business Sector Growth: Small business growth and investment has been actively encouraged and supported by Mill City officials, local real estate professionals and the NSCEDC GROW program. In 2015 they report greater optimism in the future and a commitment from community members to create businesses that will succeed in Mill City. Locally owned business development is expected to be a significant part of an expanding local economy. Economic development professionals believe there are opportunities for job creation in several sectors:

- Specialty forest products and value added wood products. With a receptive attitude and encouragement from the U. S. Forest Service, there is potential for jobs to harvest firewood,

⁹ Ibid, Page 23.

herbs, mushrooms, floral supplies and other secondary forest products, as well as adding more value-added wood products manufactured in the area. One of Oregon's priorities is to support the enhancement of these natural resource industries in rural areas.

- Internet dependent businesses that allow business owners to live in rural communities. The improvement of the existing broadband infrastructure is needed if the N. Santiam Canyon wishes to accommodate these types of businesses.
- Recreational / leisure services. Eco-tourism, biking, hiking, river rafting, kayaking, fishing, active and passive outdoor recreation, winter recreation, cultural, agritourism and cultural heritage tourism are all components of an expanding tourism base. Mill City is the only canyon community whose current infrastructure (water and sewer) can support the addition of key tourism-related businesses, such as lodging facilities and microbreweries.
- Retail and services. There are opportunities for small storefront retail, professional, hospitality and service businesses that will cater to the needs of local residents as well as serve visitors to the North Santiam Canyon and the travelling public along the Hwy 22 corridor.

d. Commercial Redevelopment and Revitalization: The City concludes there are opportunities to strengthen the City's two commercial districts: Hwy 22 corridor and the older central commercial district. The Hwy 22 commercial corridor can upgrade and expand its hospitality/traveler oriented services. The central commercial district can continue to develop as a mixed use area.

Mill City's 1st Avenue/W. Broadway downtown commercial district has evolved into a mixed use area anchored by the K-12 schools, local government, library, medical and dental clinics, pharmacy, grocery store and post office. Mill City Fire Station, City Hall and Santiam Medical Clinic are examples of significant building investments made in the center of Mill City. In addition, the City and Linn County have made street, water, sewer and park infrastructure improvements that create a pedestrian friendly section of the City.

There is limited potential for the addition of retail/wholesale businesses because of the small population of Mill City and restricted trade area, retail sales leakage to larger cities and the increased use of Internet for direct sales. There is potential for local businesses that provide direct personal services for residents and/or are needed to fill specific market niches.

The Santiam Canyon School District's K-12 schools are all located in Mill City at their two school campuses on SW Evergreen Street. Due to the location of the schools, there is potential to develop a cohesive campus environment and enhanced community schools programs that serve all students of all ages.

Beginning in 2015, the Oregon Connections Academy (ORCA), an on-line schools program which offers classes to elementary and secondary students throughout Oregon, will be affiliated with the Santiam Canyon School District. There is a strong potential that local jobs will be added as a result of the relocation of the ORCA program to Mill City.

The City can emphasize the role of the older downtown commercial area and schools as an education and government center with community gathering places, public spaces and parks near the North Santiam River. Additional streetscape, upgraded school facilities and public space improvements are needed to create a memorable, attractive city center.

6.6 Employment Land Needs

The City of Mill City has used Commercial and Industrial comprehensive plan designations for employment lands. The City and Linn County have five zoning districts for employment use inside the UGB:

City of Mill City:

| | | |
|--------------------|------|----------------------------------|
| Central Commercial | (CC) | Old downtown commercial area. |
| Highway Commercial | (CH) | Commercial corridor along Hwy 22 |
| Industrial | (I) | Industrial zone inside the city. |

Linn County

| | | |
|--------------------|----------|---|
| Limited Industrial | (UGA-LI) | Limited industrial uses along Lyons-Mill City Drive |
| Heavy Industrial | (UGA-HI) | Heavy industrial uses along Lyons-Mill City Drive at the west end of the UGB. |

Table EC-9
Employment Acreage in Mill City UGB

| Zoning | Developed | Constrained Land (Unbuildable) | Available Buildable Land | Total Acres |
|----------------------------------|---------------|--------------------------------|--------------------------|---------------|
| <i>City of Mill City</i> | | | | |
| Central Commercial | 17.22 | 0.31 | 6.72 | 24.25 |
| Highway Commercial ¹⁰ | 31.26 | 4.46 | 23.47 | 59.19 |
| Industrial | 0 | | 0 | 0.00 |
| <i>Linn County (UGB Area)</i> | | | | |
| UGA – Limited Industrial | 13.07 | 2.90 | 25.90 | 41.87 |
| UGA – Heavy Industrial | 82.20 | 39.73 | 42.76 | 164.69 |
| Total Employment Lands | 143.75 | 47.40 | 98.85 | 290.00 |

Source: City of Mill City Buildable Lands Analysis and Linn County GIS January 2015 data

Commercial Lands:

The City of Mill City has approximately 83 acres of land zoned for commercial use. As of January 2015, Table EC-10 shows 18 acres were committed to commercial uses. The balance of land in Mill City’s commercial zones is in residential, public, non-profit/church use or is unavailable for development due to steep slopes, wetlands or other development constraints. There are 24 acres of vacant land zoned for commercial uses in the Central Commercial (CC) and Highway Commercial (CH) zones.

¹⁰ Highway Commercial totals includes 53.35 acres inside the city limits and another 5.84 acres in Marion County’s Urban Transition zone that is designated Commercial on the Mill City Comprehensive plan map.

Table EC-10
Commercial Land Use in Mill City (2014)

| Land Use | CH Zone (Acres) | CC Zone (Acres) | Total (Acres) |
|--|-----------------|-----------------|---------------|
| Currently in Commercial Use | 11.47 | 6.64 | 18.11 |
| Currently in Residential Use | 21.88 | 13.30 | 35.18 |
| Currently in Public or Semi-Public Use | 2.30 | 0.34 | 2.64 |
| Vacant | 20.10 | 3.97 | 24.07 |
| Vacant (Constrained - not Developable) | 3.44 | 0.00 | 3.44 |
| Total | 59.19 | 24.25 | 83.44 |

Source: City of Mill City Buildable Lands Analysis and Linn County GIS January 2015 data

Two distinct commercial areas exist: (1) the downtown area adjacent to 1st Avenue & W. Broadway and (2) the Highway 22 corridor extending from the east city limits to the west city limits.

Downtown Commercial Area: The downtown commercial area is a mixed use area. Santiam Canyon schools and local government are the primary employers. Several small businesses, post office, professional services and grocery store serve as business anchors. Homes occupy a large portion of the remaining land in the Central Commercial (CC) zone.

Highway 22: The Highway 22 commercial corridor is located on Oregon 22, the state highway that links the mid-Willamette Valley with Bend and central Oregon. Mill City's highway commercial area consists of highway oriented businesses. Hospitality and service businesses cater to the traveling public, recreational visitor and area residents. In 2014 individual businesses included a coffee shop, two restaurants, convenience store, a sporting goods store, gas station, real estate office, bank, building supply and several professional services.

Table EC-11 shows there are over 22 acres of buildable commercially zoned land inside the Mill City UGB. This includes vacant parcels plus other lots which are partially vacant (infill) or redevelopable parcels where low value structures could be demolished. Parcel sizes range from 0.25 acres to almost 9 acres in size. A number of ½ acre to two acre commercial sites can be created along the Hwy 22 corridor by consolidating parcels together. There is one vacant 9 acre site at the west end of the UGB on Hwy 22. In addition to the land identified in Table EC-11 as buildable land, additional parcels that are zoned for commercial use but are now committed to residential use could be purchased and redeveloped for commercial use.

Table EC-11
Buildable Commercial Lands
Net Buildable Land by Plan Designation/Land Type

| Zoning | Vacant | Infill | Redevelopable | Available Buildable Acres | Set-aside for Public Use (25%) | Net Buildable Land |
|-------------------------|--------------|-------------|---------------|---------------------------|--------------------------------|--------------------|
| Central Commercial | 3.97 | 0.30 | 2.45 | 6.72 | (1.68) | 5.04 |
| Highway Commercial | 20.10 | 3.37 | 0 | 23.47 | (5.87) | 17.60 |
| Total Commercial | 24.07 | 3.67 | 2.45 | 30.19 | (7.55) | 22.64 |

Source: City of Mill City Buildable Lands Analysis and Linn County GIS January 2015 data

All of the available commercial sites in Mill City are inside the city limits and served by the City of Mill City water system and sewer system. City water mains are adequately sized to serve most commercial uses and meet fire-flow requirements. In the downtown CC zone retail, wholesale and service uses are permitted outright. Along the Hwy 22 corridor in the CH zone, new or expanded commercial uses undergo a site plan review and approval process before the Planning Commission.

The potential challenges to developing the identified buildable land for commercial use:

1. The City sewer system is a STEP system with limited capacity to handle commercial and industrial customers with heavy BOD demands. If BOD demands are too great, the business cannot locate in Mill City. Pre-treatment may be required.
2. Businesses along the Hwy 22 corridor must comply with the City and ODOT access management standards for new driveways and street improvement requirements.
3. Parcels sizes range 0.10 acres to 9 acres in size, with the vast majority less than 1 acre in size. With the exception of projects under 1 acre, a developer may have to acquire multiple parcels to create a commercial site of adequate size.
4. Infill and/or redevelopment projects will require acquisition of existing homes, demolition and site improvements.

In the *City of Mill City Buildable Lands Analysis Update* (2015) the City has used the safe harbor approach permitted under OAR 660-024-0040 (9)(b) to estimate the number of buildable commercial acres needed in Mill City.

A local government with a population of 10,000 or less may assume that retail and service commercial land needs will grow in direct proportion to the forecasted urban area population growth over the 20-year planning period. This safe harbor may not be used to determine employment land needs for sectors other than retail and service commercial.

The City's population is estimated to grow from 1870 persons to 2461 person by the year 2035, a 31% growth over the 20 year planning period. Using this safe harbor, the City will need 23.54 acres of commercial land, a 31% increase from the 2014 total of 18.11 acres.¹¹ Table EC-12 shows there is a need for an additional 5.43 acres of buildable commercial land by the year 2035.¹²

¹¹ Commercial land needs projected based on 31% population growth: 18.11 acres x 131% = 23.54 acres

¹² OAR 660-024-0040(9) The following safe harbors may be applied by a local government to determine its employment needs for purposes of a UGB amendment under this rule, Goal 9, OAR chapter 660, division 9, Goal 14 and, if applicable, ORS 197.296.

(a) A local government may estimate that the current number of jobs in the urban area will grow during the 20-year planning period at a rate equal to either: (A) The county or regional job growth rate provided in the most recent forecast published by the Oregon Employment Department; or (B) The population growth rate for the urban area in the adopted 20-year coordinated population forecast specified in OAR 660-024-0030.

(b) A local government with a population of 10,000 or less may assume that retail and service commercial land needs will grow in direct proportion to the forecasted urban area population growth over the 20-year planning period. This safe harbor may not be used to determine employment land needs for sectors other than retail and service commercial.

Table EC-12
Commercial Land Need in 2035

| Commercial Land in 2014 in Commercial Use Total Acres | Commercial Land Need in 2035 Total Acres | Additional Buildable Commercial Land Needed by 2035 |
|--|---|--|
| 18.11 | 23.54 | 5.43 |

Table EC-13 shows the City has a total of 22.64 acres of buildable commercial land in CC and CH zones.

Table EC-13
Available Buildable Commercial Land

| Buildable Commercial Land Available in 2014 (Acres) | Additional Buildable Commercial Land Needed by 2035 (Acres) | Surplus / (Deficit) Available (Acres) |
|--|--|--|
| 22.64 | 5.43 | 17.21 |

The 2015 Buildable Lands Analysis shows a need for an additional 5.43 acres of buildable commercial lands by the year 2035. The City of Mill City has a total of 22.64 acres of buildable commercial land which is sufficient to meet the projected demand. The City concludes there is an adequate supply of buildable commercial land inside the UGB to serve the City needs through the year 2035.

Industrial Lands

The City has designated 206 acres for industrial use. In 2014, industrial uses occupied 138 acres of land inside the Mill City UGB, with the majority of the industrial sites occupied by two family owned wood products firms. The City has designated just over 63 acres of vacant and infill land at the west end of the UGB for future industrial use. The City’s buildable lands analysis update finds some of the industrially designated land is constrained for development due to steep slopes, wetlands and a Bonneville Power Administration easement for high tension electrical transmission lines. Table EC-13 shows there are more than 51 acres of buildable industrial land in the Mill City UGB.

Table EC-14
Buildable Industrial Lands
Net Buildable Land by Zoning /Land Type

| Zoning | Vacant | Infill | Redevelop- able | Buildable Acres | Set-aside for Public Use (25%) | Net Buildable Land |
|-----------------------------|---------------|---------------|----------------------------|----------------------------|---|-----------------------------------|
| Limited Industrial (LI-UGA) | 7.74 | 12.53 | 5.63 | 25.90 | (6.48) | 19.43 |
| Heavy Industrial (HI-UGA) | 30.70 | 12.06 | 0 | 42.76 | (10.69) | 32.07 |
| Total Industrial | 38.44 | 24.59 | 5.63 | 68.66 | (17.17) | 51.50 |

Source: City of Mill City Buildable Lands Analysis and Linn County GIS January 2015 data

There are several challenges to developing the identified buildable land for industrial use:

1. All of the industrially zoned land is outside the city limits in the UGB. Annexation to the city is required to obtain public water and sewer utilities.
2. City water and sewer lines must be extended 1000' west from 10th Avenue on Lyons-Mill City Drive to reach the industrial zoned properties.
3. There are thirteen (13) parcels identified as infill or redevelopable land. Parcels sizes range 0.50 acres to 7.24 acres in size. The parcels are currently used as rural residential home sites or small hobby farms. In order to be used for industrial uses, parcels must be purchased, homes demolished or moved and public water and sewer services extended to the sites.
4. The largest, vacant industrial sites in the UGA-HI industrial zone are owned by Linn County and the two existing wood products firms. They may not be available to prospective industries.

As discussed in Section 8.4, the City used the safe harbor to estimate 137 jobs will be added in the City over the 20-year planning period.

The North Santiam Canyon has historically had a ratio of 60% industrial sector jobs to 40% retail/service/government/other employment job sector jobs. However, the Oregon Employment Department anticipates very little of this job growth will be in manufacturing and other industrial sectors. The 10-year projections concludes the percentage of industrial jobs in Regions 3 & 4 will remain constant, with a slight decrease in the percentage of government jobs and a slight increase in the number of jobs in the commercial and other job sectors.

The City estimates 40% of new job growth (55 new jobs) will occur in industrial sectors and 60% of new job growth (82 new jobs) will occur in the retail, service and government sectors. In 2012 there were 392 payroll jobs in Mill City with an estimated 235 (60%+/-) jobs in industrial job sectors. Just over 138 acres in the Mill City UGB are in industrial use, generating a ratio of 1.7 jobs/developed acre (235 jobs ÷ 138 acres = 1.7 jobs/acre). With virtually all of Mill City's industrial sector jobs at the two large wood products facilities, the jobs/acre ratio is low. If the jobs/acre ratio for future industrial development remains near 2 jobs per acre, then 27.5 acres of land will be needed for 55 new jobs.

Table EC-15
Industrial Land Need in 2035

| Estimated New Industrial Sector Jobs 2015 to 2035 | Industrial Sector jobs per acre | Additional Buildable Industrial Land Needed by 2035 |
|--|--|--|
| 55 | 2.0 | 27.50 acres |

Table EC-14 estimates the City of Mill City will need 27.50 acres of net buildable industrial land to meet projected industrial land needs by the year 2035.

The City has 206 acres of gross acres of land zoned for industrial use in the Limited Industrial (LI) and Heavy Industrial (HI) zones. In 2014 more than 95 acres are in industrial use or committed to other uses. This employment lands analysis reveals 42 acres of the remaining available land is constrained from development

due to existing BPA power lines, steep slopes, and wetlands. Table EC-15 shows there are 51.50 acres of net buildable industrial land in the LI and HI zones.

Table EC-16
Available Buildable Industrial Land

| Buildable Industrial Land Available in 2014 (Acres) | Additional Buildable Industrial Land Needed by 2035 (Acres) | Surplus / (Deficit) Available (Acres) |
|--|--|--|
| 51.50 | 27.50 | 24.00 |

With 51.50 acres of net buildable industrial land, the City concludes there is an adequate supply of buildable industrial land inside the UGB to serve the City needs through the year 2035.

Other Employment Lands

In addition to the commercial and industrial employment lands, the City’s Public (P) zone, adjacent to the downtown Central Commercial area allows for education and local government related employment inside the City. The Santiam Canyon School District, City of Mill City and Mill City Rural Fire Protection District employ about 100 people in the local K-12 school system and in the government offices.

ECONOMY GOALS AND POLICIES

STATEWIDE PLANNING GOAL 9 – ECONOMIC DEVELOPMENT: To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

Goal EC-1: To diversify the local economy by supporting small business development and expansion of retail, professional, recreational and hospitality services in Mill City.

Goal EC-2 To provide fully-serviced commercial and industrial sites by investing in public infrastructure.

ECONOMIC DEVELOPMENT POLICIES:

- Policy EC-1 The City will cooperate with the North Santiam Economic Development Corporation, the Mid-Willamette Valley Council of Governments, Cascades West Council of Governments, county, state and federal officials to implement regional economic development strategies for the North Santiam Canyon.
- Policy EC-2 Mill City will cooperate and coordinate with SEDCOR, North Santiam Canyon Economic Development and state employment programs to provide job skill development training and support for small businesses.
- Policy EC-3 The City will invest in public facilities and streetscape improvements in order to create attractive commercial areas downtown and along Hwy 22 thereby encouraging revitalization of these commercial areas.
- Policy EC-4 The City will pursue funding to improve public infrastructure, including fiber optic/broadband services, Hwy 22 improvements, and water/sewer facilities to serve local businesses, commercial and industrial sites in Mill City.

Appendix

MILL CITY COMPREHENSIVE PLAN MAPS

CHAPTER 1 TO 6

Full Size (8 ½ x 11) maps of all of the maps in Chapters 1 to 6 are included in this appendix.

The Map label and the page the maps are found in the 2015 Mill City Comprehensive Plan are provided in the following table.

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Comprehensive Plan for Mill City, Oregon

Effective Date: June 1, 2015

Mill City Comprehensive Plan Map LU-1



Legend

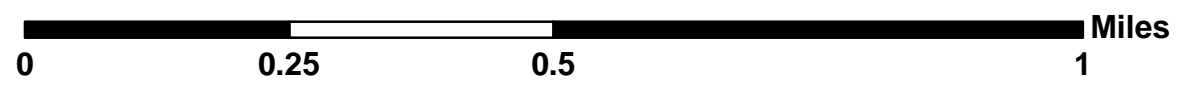
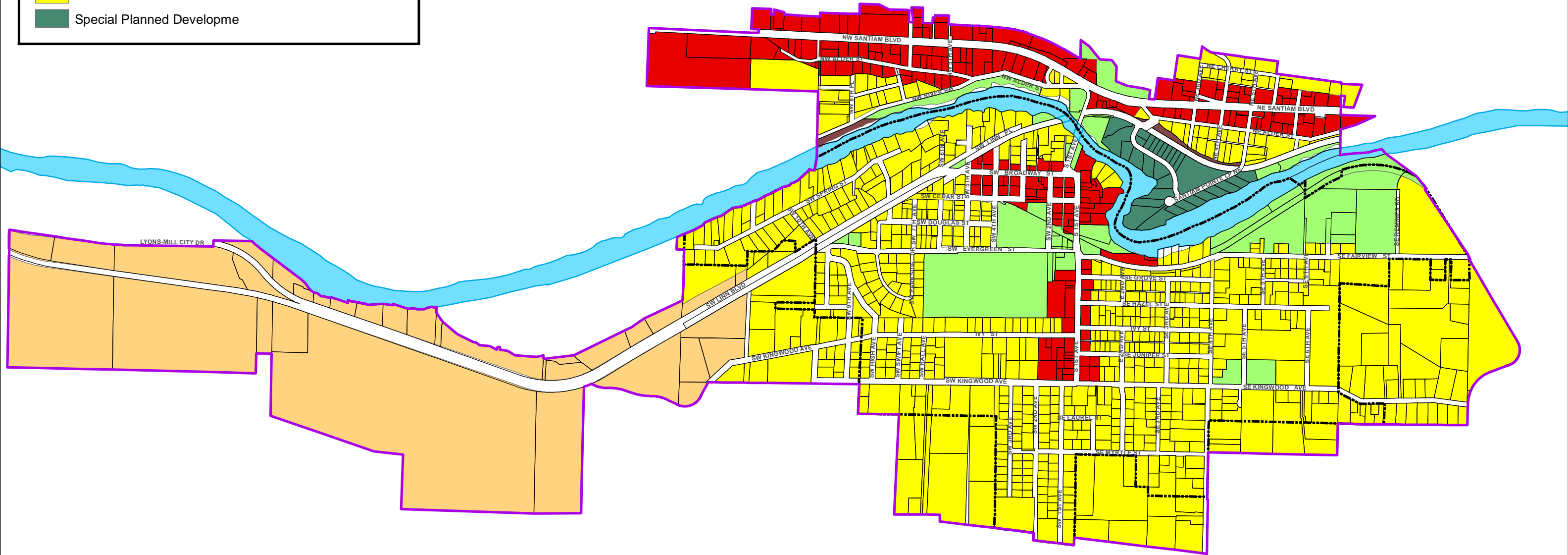
COMP_PLAN

- Commercial
- Industrial
- Non-Buildable
- Public
- Residential
- Special Planned Developme

City Limits

Ugb

North Santiam River



Map Data Sources: Linn and Marion Counties.
January 2015

NOTE:

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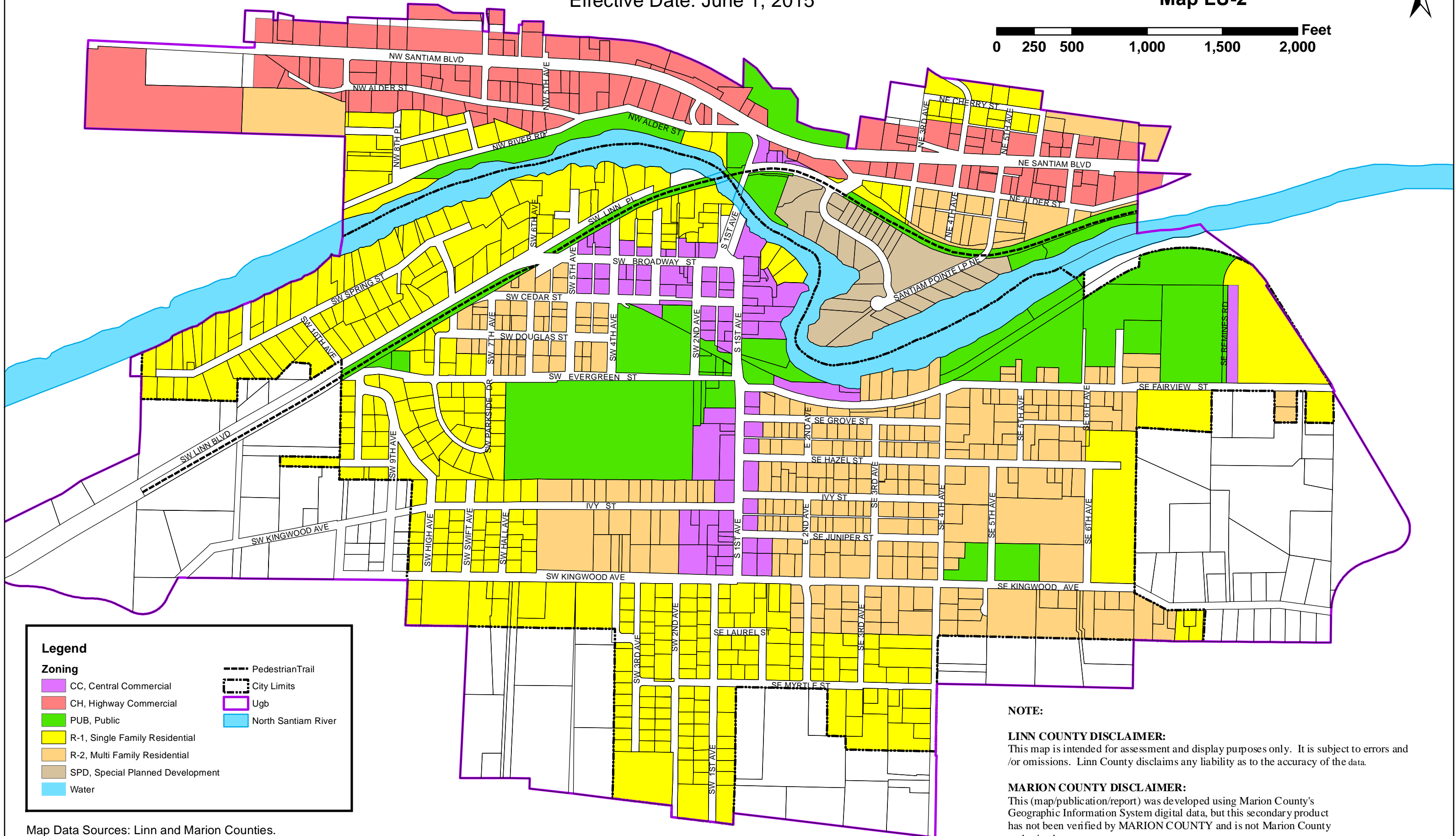
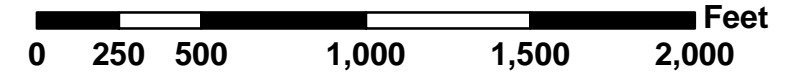
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City Zoning - Mill City, Oregon

Effective Date: June 1, 2015

Mill City Comprehensive Plan

Map LU-2



Legend

Zoning

- CC, Central Commercial
- CH, Highway Commercial
- PUB, Public
- R-1, Single Family Residential
- R-2, Multi Family Residential
- SPD, Special Planned Development
- Water

- Pedestrian Trail
- City Limits
- Ugb
- North Santiam River

NOTE:

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City Zoning and County Zoning within the UGB Mill City, Oregon

Effective Date: June 1, 2015

Mill City Comprehensive Plan
Map LU-3



Legend

County Zoning

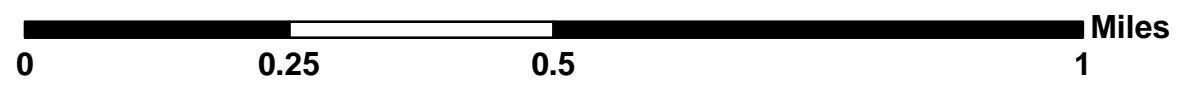
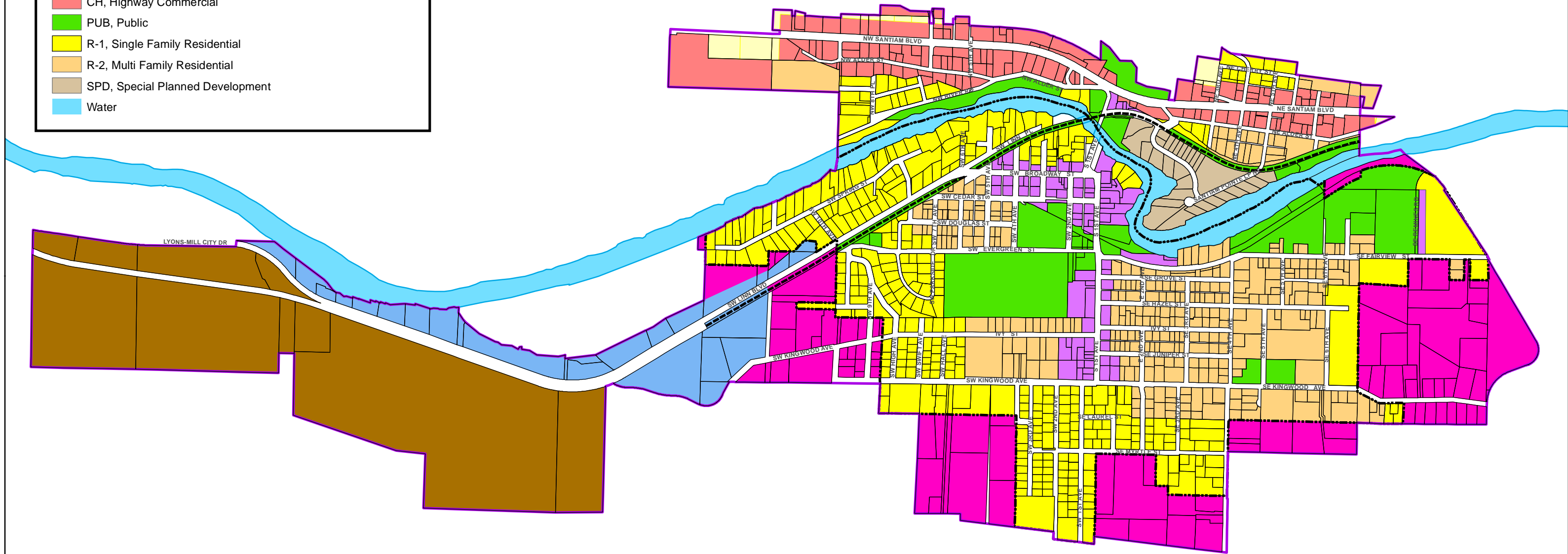
- UGA-HI
- UGA-LI
- UGA-RR-2.5
- Urban Transition

City Zoning

- CC, Central Commercial
- CH, Highway Commercial
- PUB, Public
- R-1, Single Family Residential
- R-2, Multi Family Residential
- SPD, Special Planned Development
- Water

Other Features:

- Pedestrian Trail
- City Limits
- Ugb
- North Santiam River



Map Data Sources: Linn and Marion Counties.
May 13, 2015

NOTE:

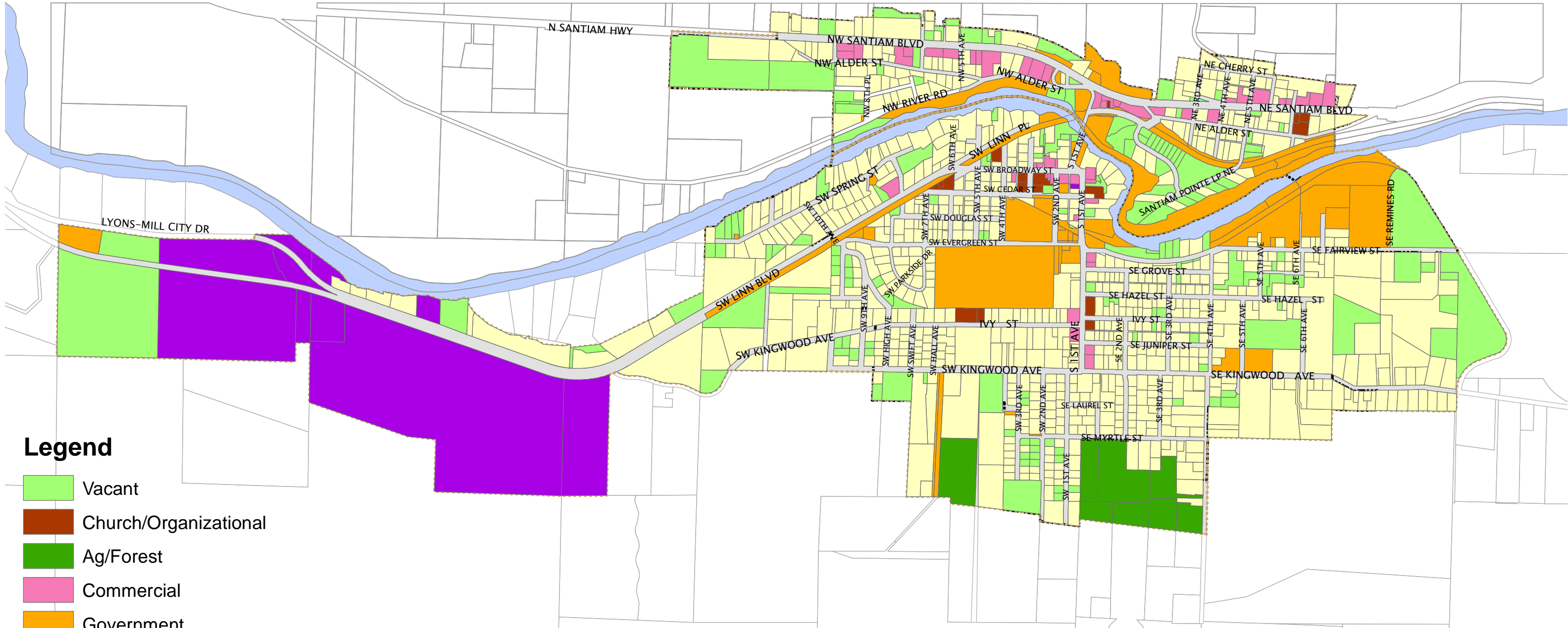
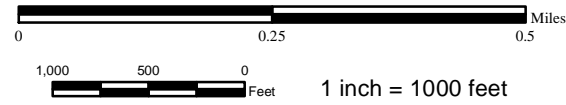
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Mill City, Oregon - Existing Land Use



Legend

- Vacant
- Church/Organizational
- Ag/Forest
- Commercial
- Government
- Industrial
- Residential
- UGB
- Tax Lots
- City Limits

Note:
The UGB boundary was expanded six feet for display purposes

The N. Santiam River was expanded for display purposes to include all taxlots identified as water in assessor data.

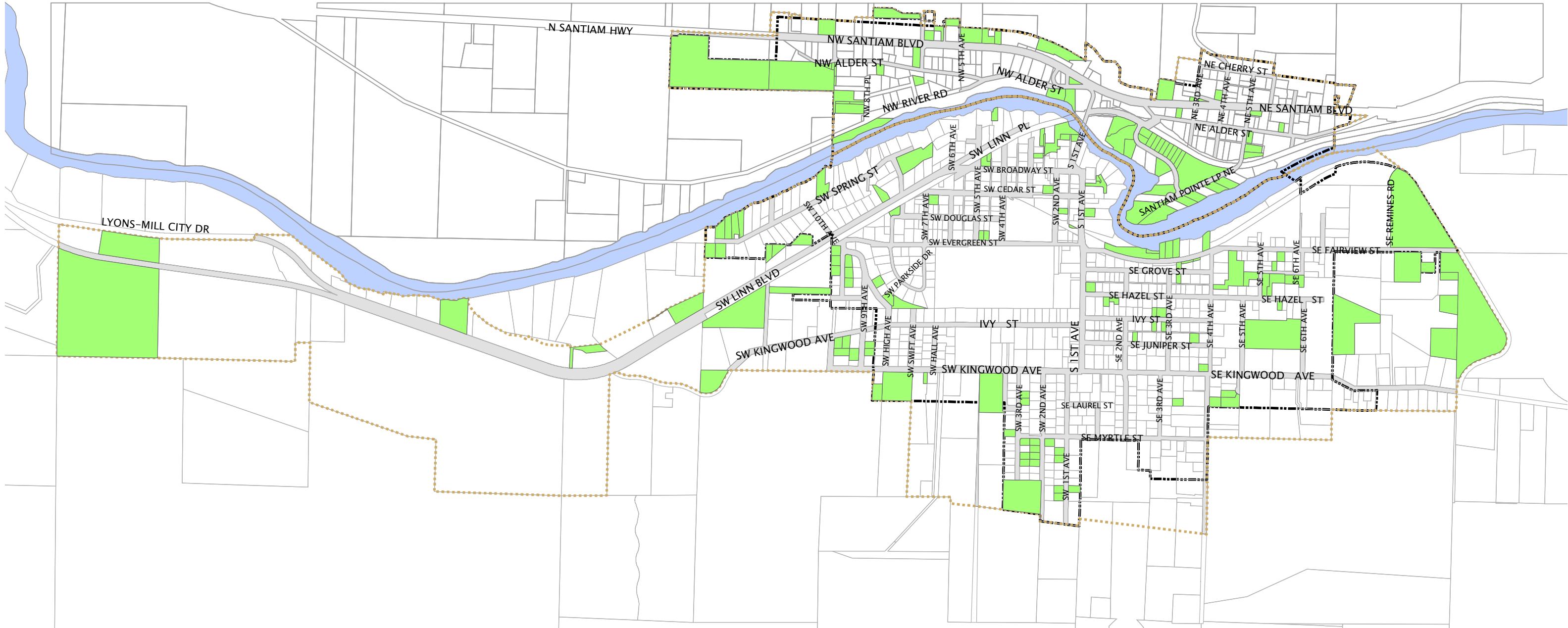
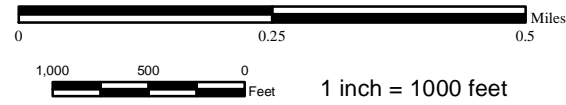
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Mill City Comprehensive Plan Map LU-4

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Mill City, Oregon - Vacant Land



- Legend**
- Vacant
 - UGB
 - Tax Lots
 - City Limits

Note:
The UGB boundary was expanded six feet for display purposes

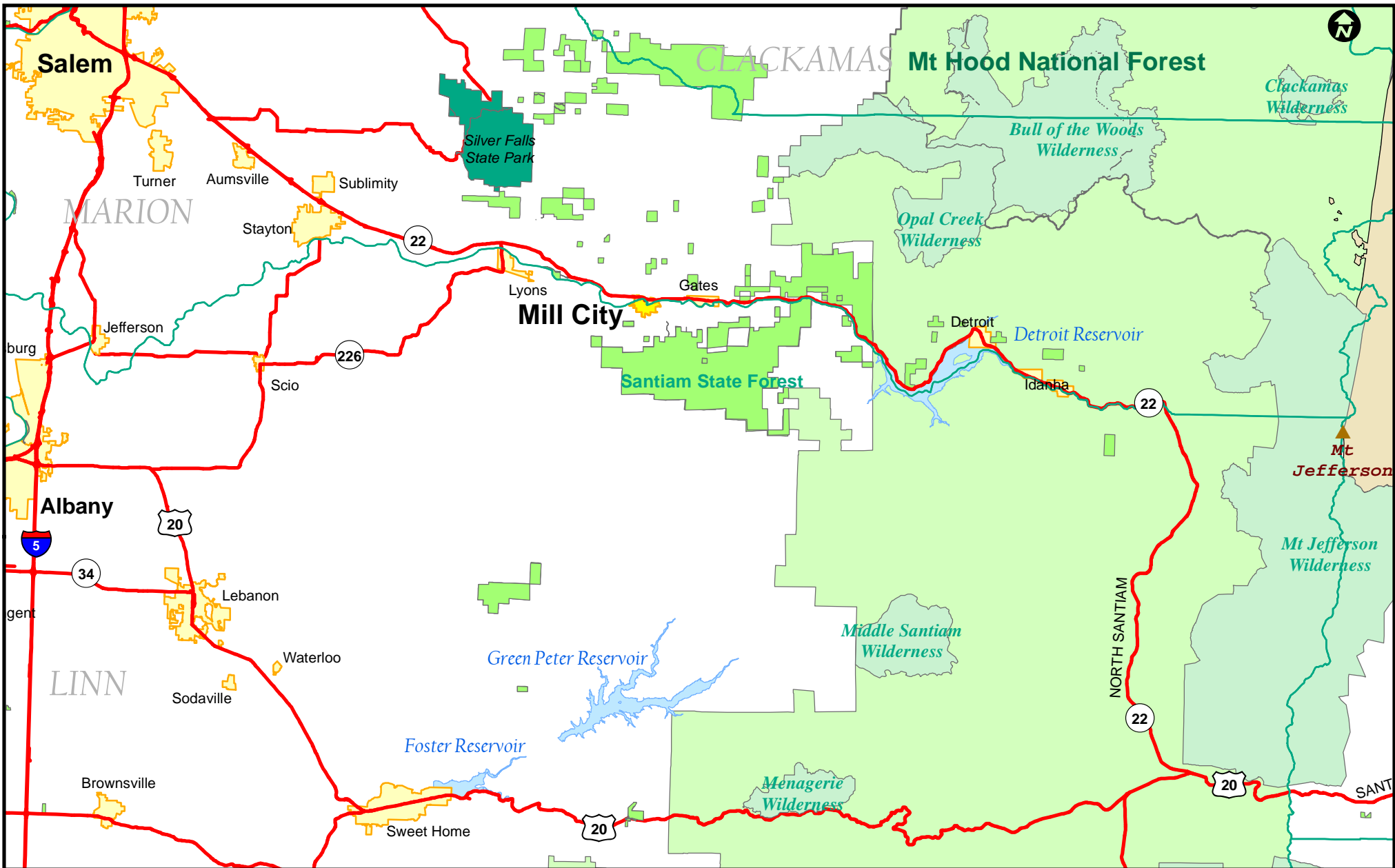
The N. Santiam River was expanded for display purposes to include all taxlots identified as water in assessor data.

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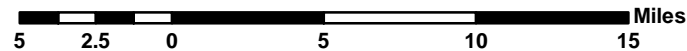
**Mill City Comprehensive Plan
Map LU-5**

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March 2015
 Map Data Sources:
 Linn and Marion Counties, Oregon Parks & Rec Dept.
 Oregon Dept. of Forestry,
 Willamette NF, Mt Hood NF, US Census Bureau,

Mill City Region

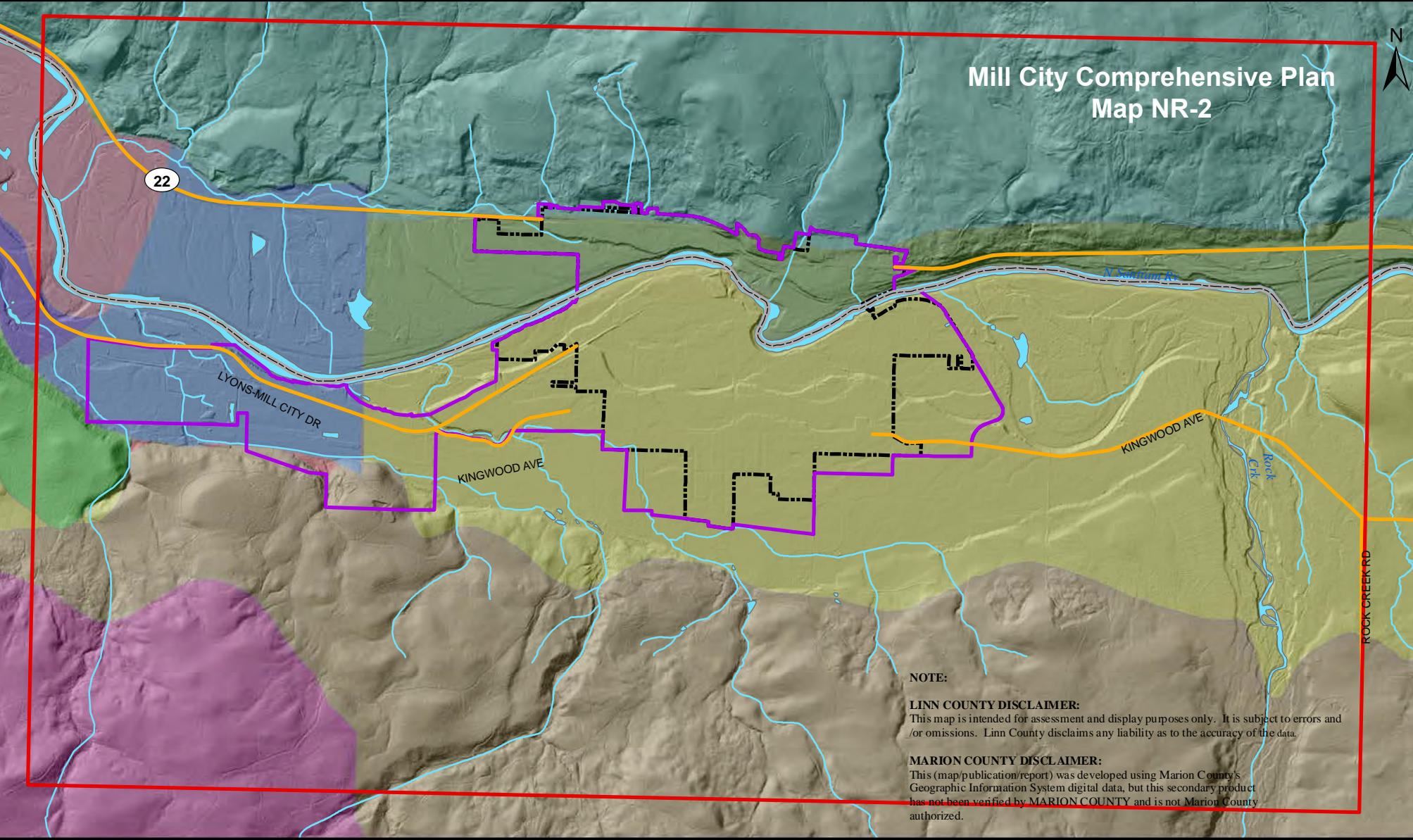


Mill City Comprehensive Plan Map NR-1

| Legend | | | |
|--------|----------------------|--|------------------------|
| | Counties | | State Forest and Parks |
| | Wilderness Areas | | Cities |
| | Warm Springs Ind Res | | Reservoirs |
| | National Forest | | Highways and Roads |

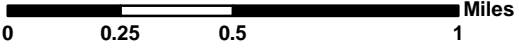
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Mill City Comprehensive Plan Map NR-2



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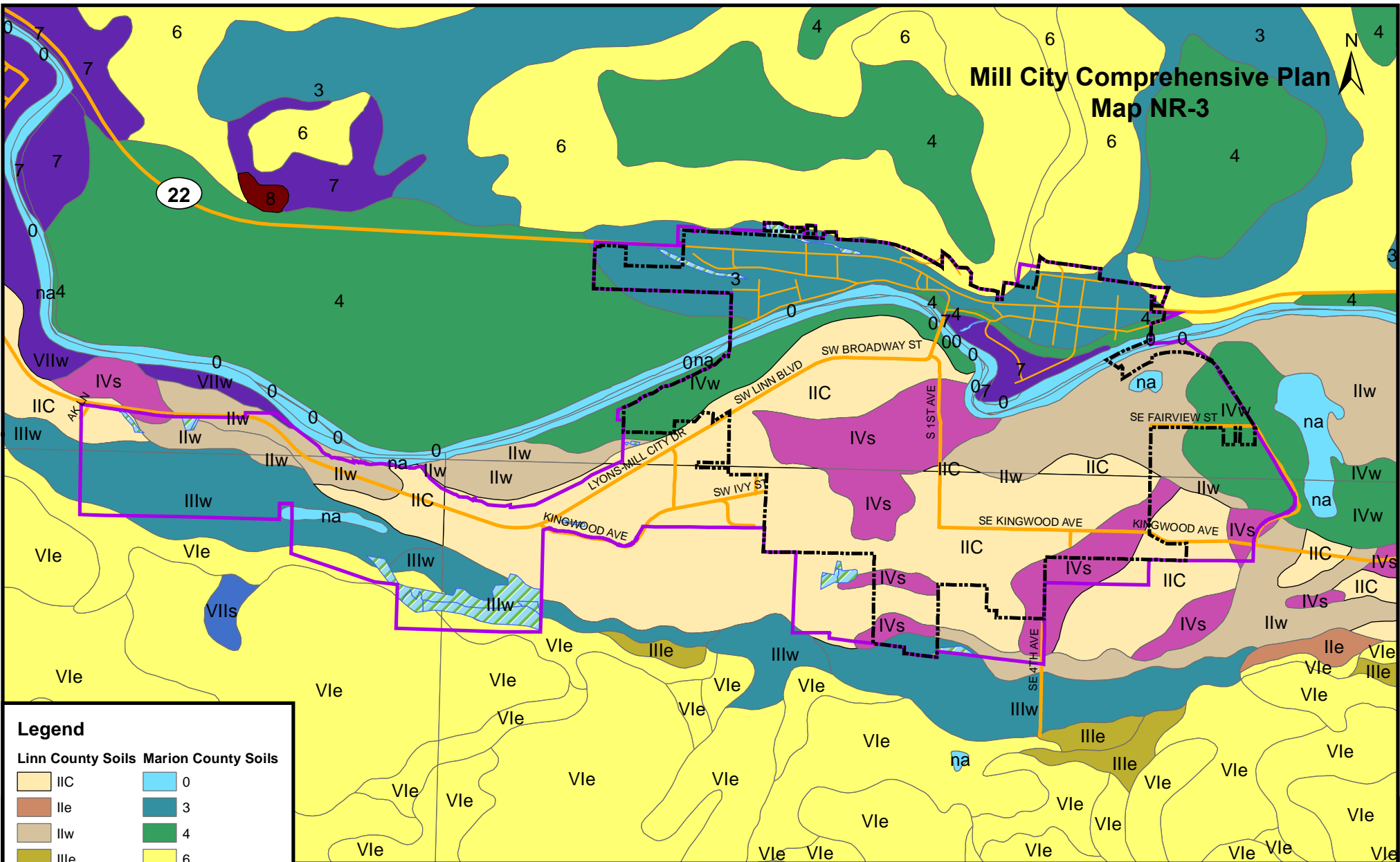
Geology Mill City Planning Area



Map Data Sources: Linn and Marion Counties and Oregon DOGAMI
January 2015

| Legend | |
|----------------|---|
| | MillCityPlanningArea |
| Geology | |
| | Alluvium |
| | Alluvium, undifferentiated |
| | Floodplain deposits of the Willamette River and major tributaries |
| | Little Butte Formation |
| | Quaternary lower terrace |
| | Quaternary middle terrace |
| | Sand and gravel that postdates Missoula Floods |
| | Sardine Formation |
| | Tuffaceous sedimentary rocks, basalt flows, and tuffs, undivided |
| | Weathered terrace gravel |

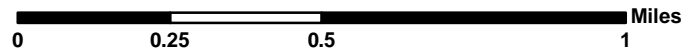
Mill City Comprehensive Plan Map NR-3



Legend

| Linn County Soils | Marion County Soils |
|-------------------|---------------------|
| IIC | 0 |
| Ile | 3 |
| Ilw | 4 |
| Ille | 6 |
| Illw | 7 |
| IVs | 8 |
| IVw | City Limits |
| Vlls | Ugb |
| Vllw | McWetLands |
| Vle | Roads |
| na | |

Mill City Planning Area Agricultural Soil Classes



Map Data Sources: Linn County GIS and Marion County GIS and NRCS.
March 2015

NOTE:

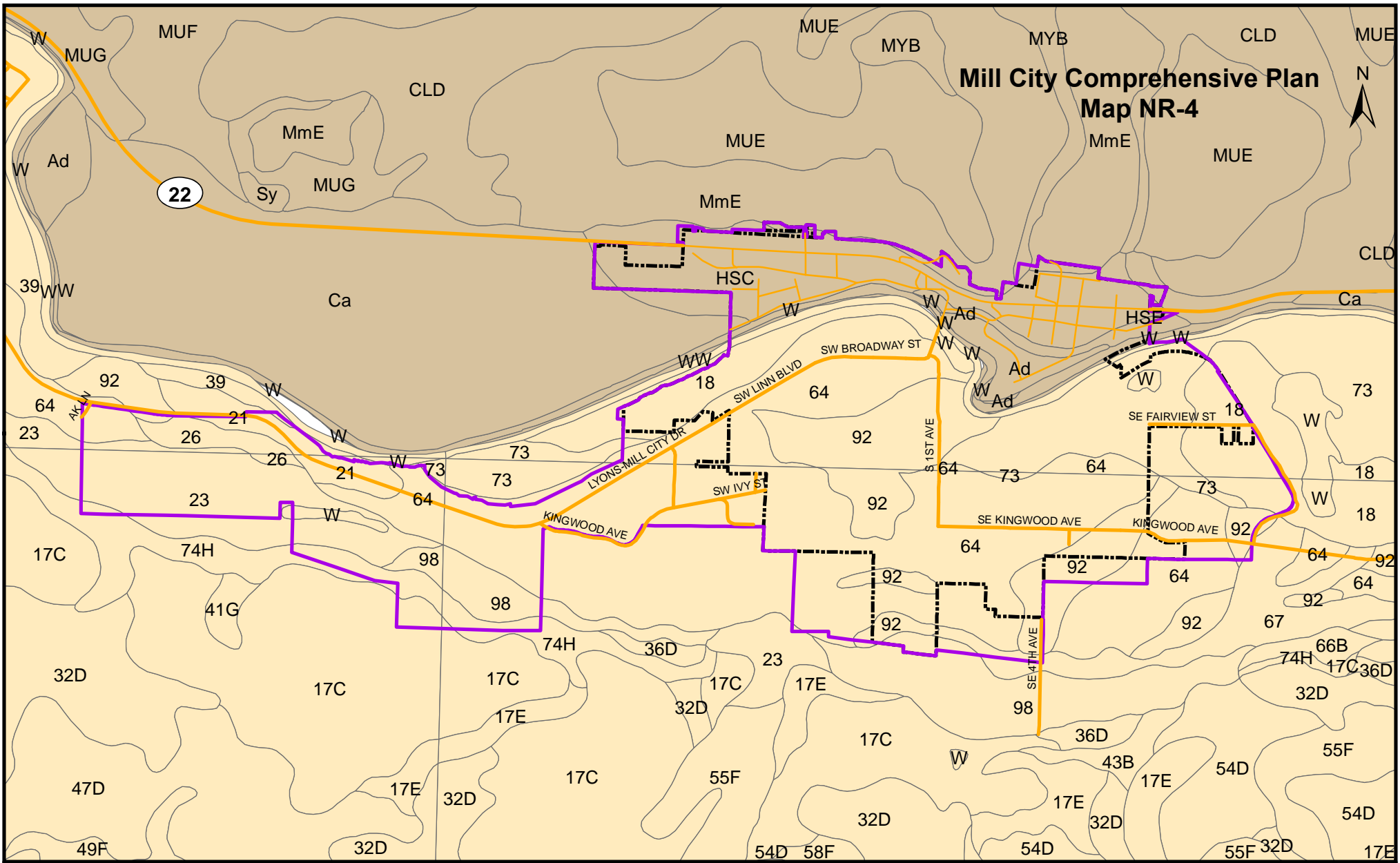
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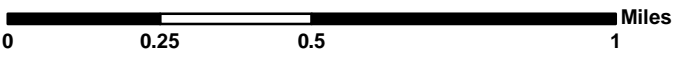
Mill City Comprehensive Plan Map NR-4



Mill City Planning Area NRCS Soil Codes

Legend

- Marion County Soils
- Linn County Soils
- Ugb
- City Limits
- Roads



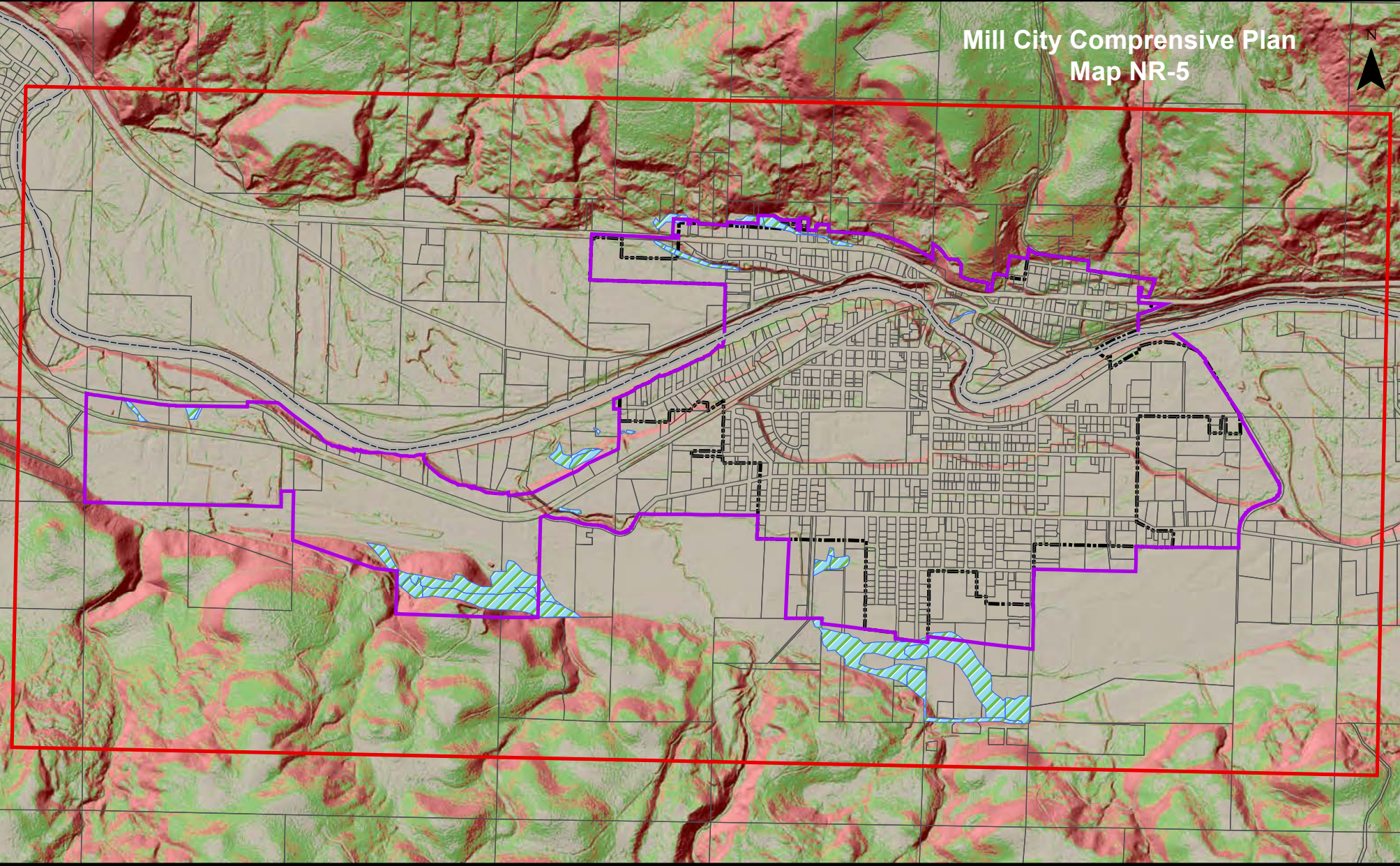
Map Data Sources: Linn County and Marion County and NRCS.
January 2015

NOTE:

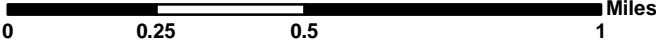
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Mill City Comprehensive Plan
Map NR-5



Mill City Planning Area
Percent Slope & Wetlands



Map Data Sources: Linn and Marion Counties.
January 2015

Legend

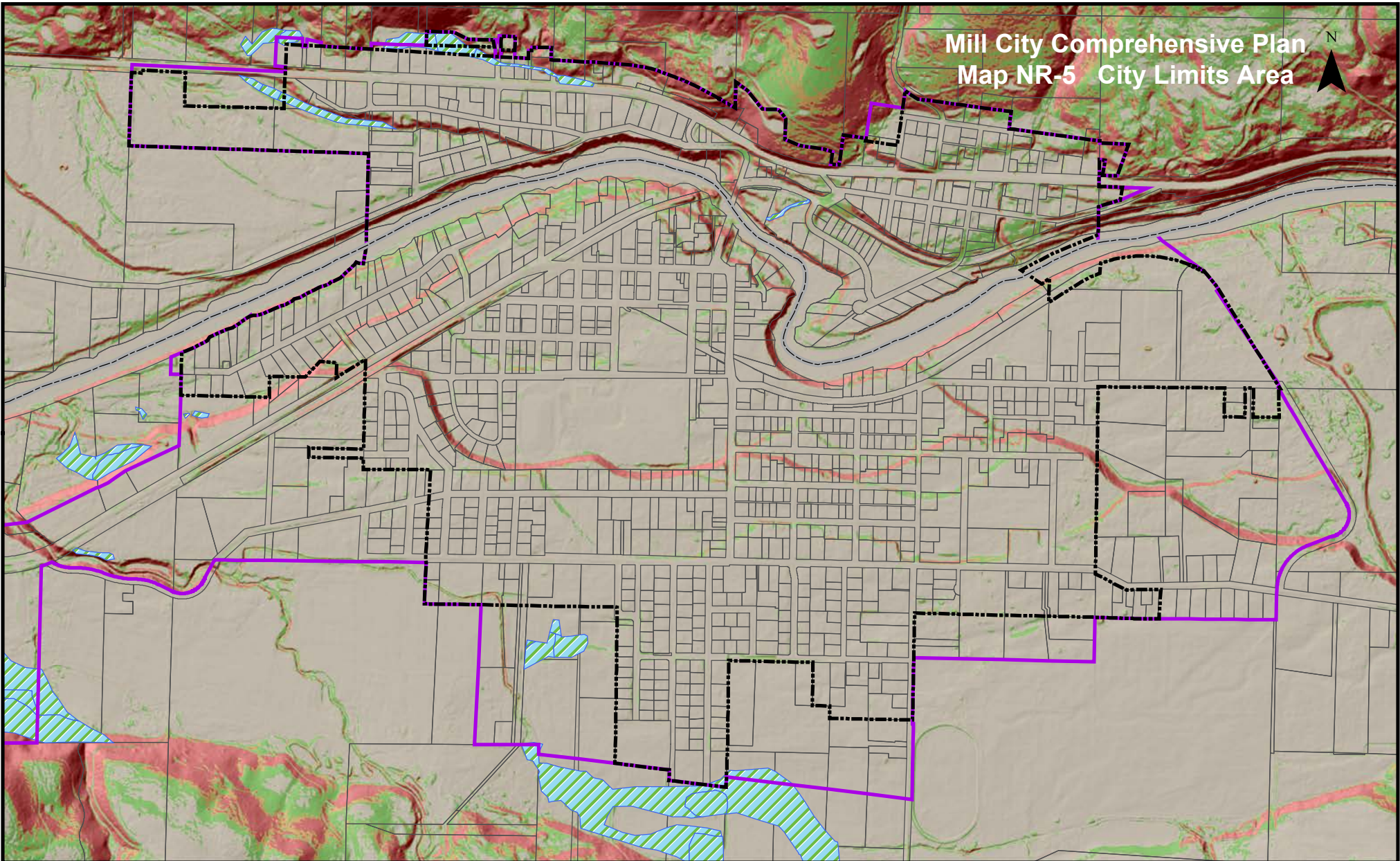
| | |
|----------|-------------|
| 0 - 10% | City Limits |
| 11 - 20% | Ugb |
| 21 - 25% | taxlots |
| 26+ % | |
| Wetlands | |

NOTE:

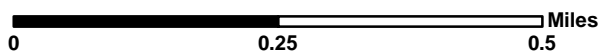
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Mill City Comprehensive Plan
Map NR-5 City Limits Area



**Mill City Area
Percent Slope & Wetlands**



Map Data Sources: Linn and Marion Counties.
January 2015

Legend

- | | |
|---------------|-------------|
| Percent Slope | Wetlands |
| 0 - 10% | City Limits |
| 11 - 20% | Ugb |
| 21 - 25% | taxlots |
| 26+ % | |

NOTE:

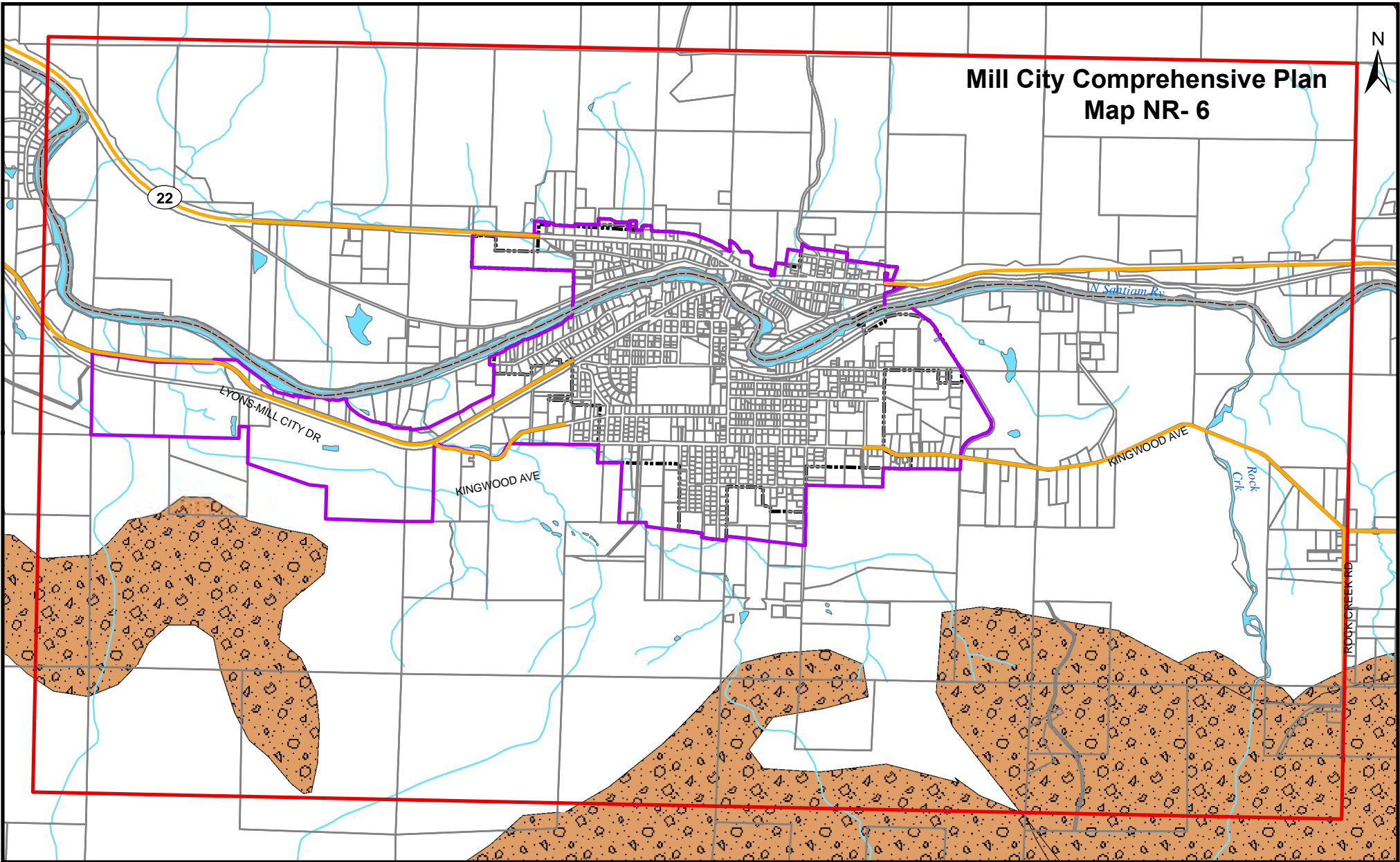
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Mill City Comprehensive Plan Map NR- 6



Landslide Deposits Mill City Planning Area



Map Data Sources: Linn and Marion Counties and Oregon DOGAMI
January 2015

Legend

- | | |
|---|--|
|  Talus-Colluvium |  MillCityPlanningArea |
|  Fan |  Ugb |
|  Landslide |  taxlots |
| |  City Limits |

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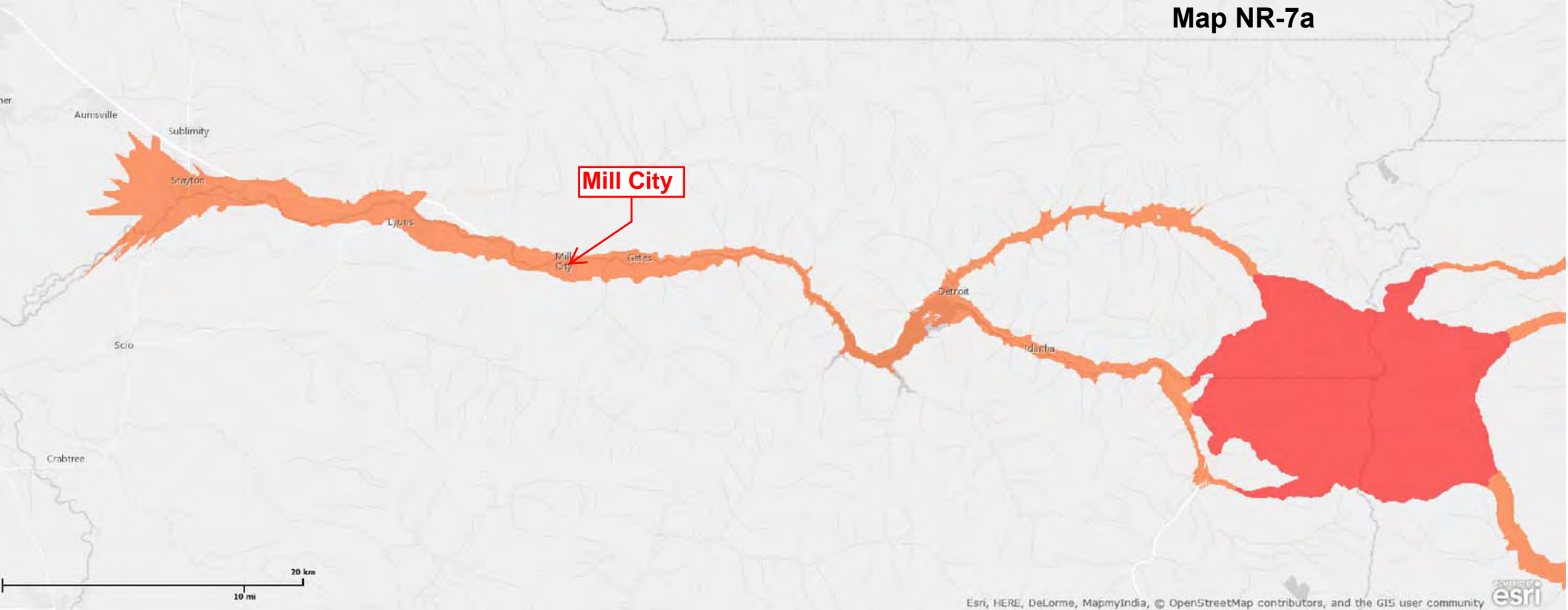
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Map from DOGAMI's HazVu Viewer

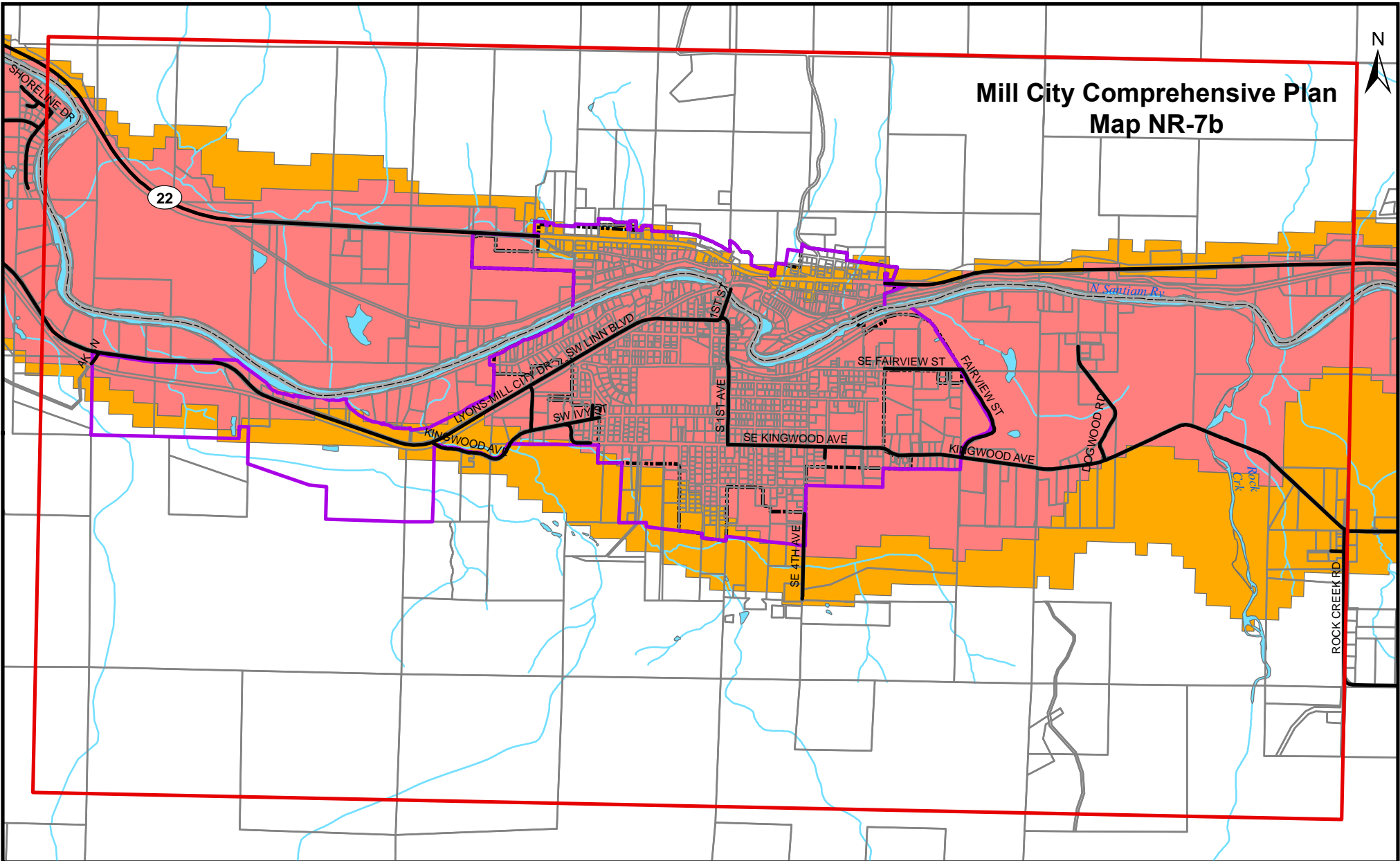
Mt. Jefferson Volcano Hazard Area

Mill City Comprehensive Plan

Map NR-7a



Mill City Comprehensive Plan Map NR-7b


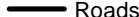






Mt Jefferson Debris Flow Hazard Area



Map Data Sources: Linn County GIS and Marion CountyGIS; January 2015
USGS Open-File Report 99-24; published 1999.

Legend

- | | | | |
|--|--------------------------|---|-------------|
|  | 100 million cubic meters |  | Roads |
|  | 500 million cubic meters |  | City Limits |
|  | MillCityPlanningArea |  | Ugb |

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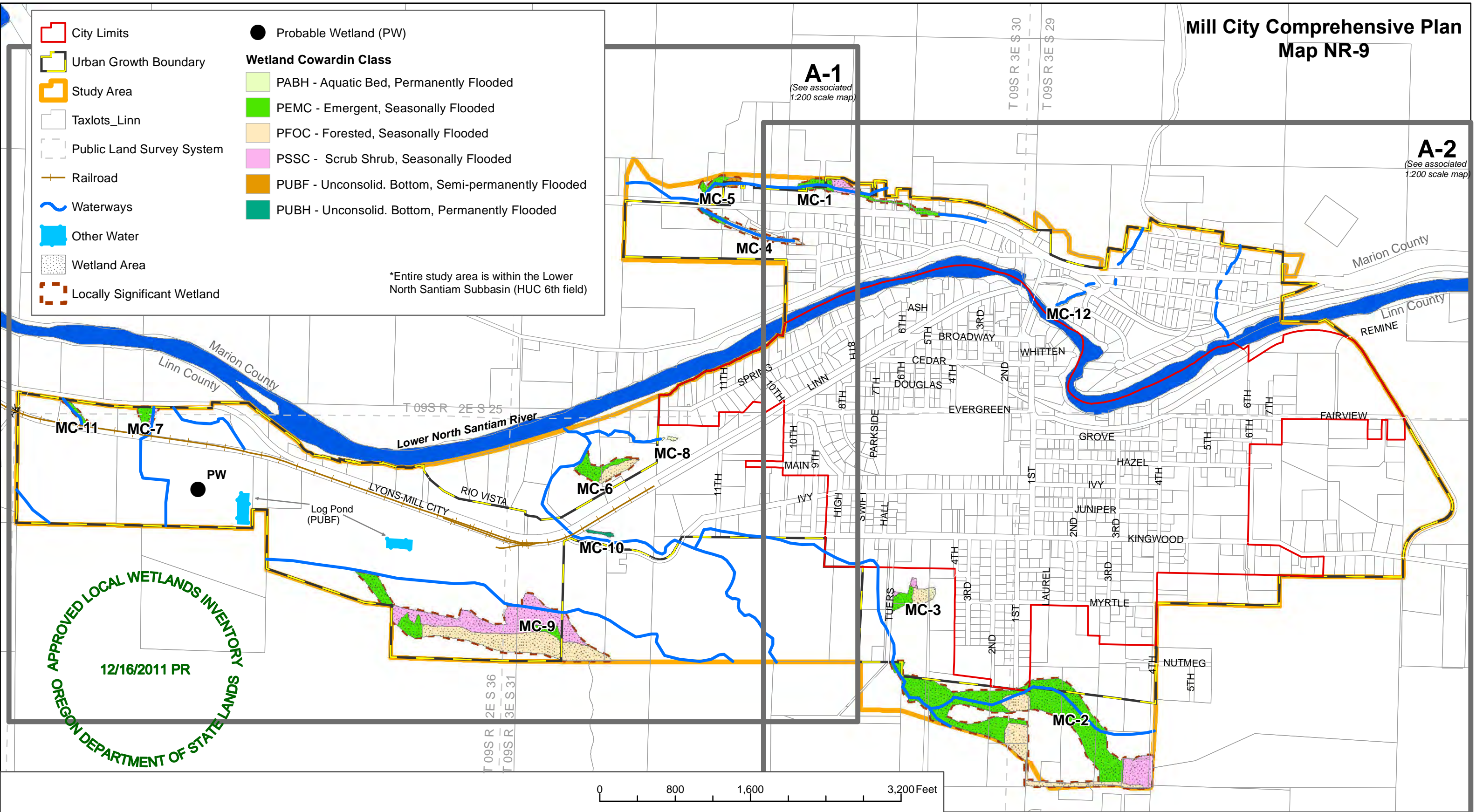
Map from DOGAMI's HazVu Viewer

Cascadia Subduction Earthquake Shaking



| | |
|-----------------------------|---|
| City Limits | Probable Wetland (PW) |
| Urban Growth Boundary | Wetland Cowardin Class |
| Study Area | PABH - Aquatic Bed, Permanently Flooded |
| Taxlots_Linn | PEMC - Emergent, Seasonally Flooded |
| Public Land Survey System | PFOC - Forested, Seasonally Flooded |
| Railroad | PSSC - Scrub Shrub, Seasonally Flooded |
| Waterways | PUBF - Unconsolid. Bottom, Semi-permanently Flooded |
| Other Water | PUBH - Unconsolid. Bottom, Permanently Flooded |
| Wetland Area | |
| Locally Significant Wetland | |

*Entire study area is within the Lower North Santiam Subbasin (HUC 6th field)



APPROVED LOCAL WETLANDS INVENTORY
12/16/2011 PR
OREGON DEPARTMENT OF STATE LANDS

Sheet 1 - Mill City Local Wetlands Inventory -- Index Map

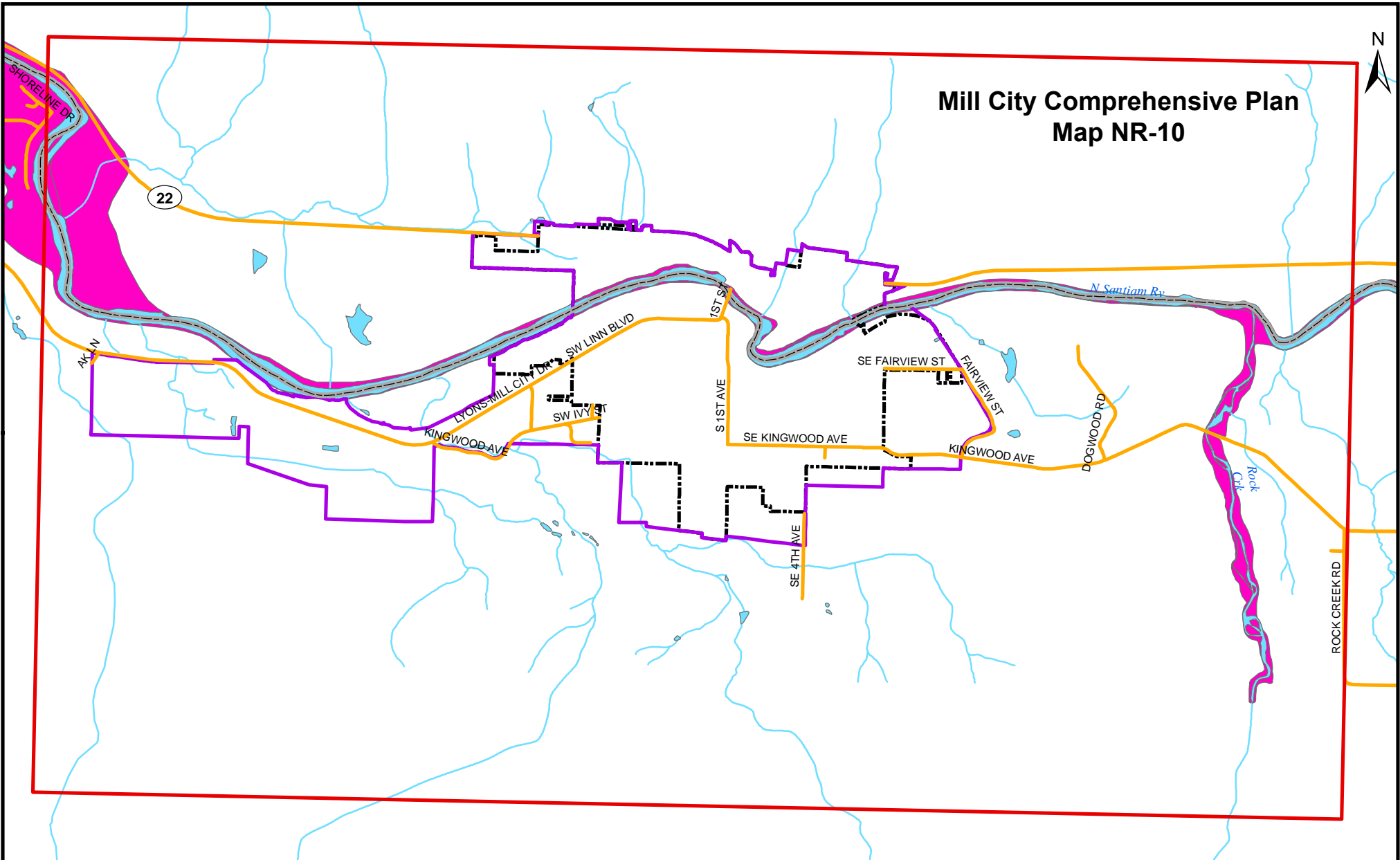
Information shown on this map is for planning purposes, represents the conditions that exist at the map date, and is subject to change. The location and extent of wetlands and other waters is approximate. There may be unmapped wetlands and other waters present that are subject to regulation. A current Oregon Department of State Lands-approved wetland delineation is required for state removal-fill permits. You are advised to contact the Department of State Lands and the U.S. Army Corps of Engineers with any regulatory questions.



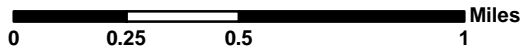
Date of map preparation: 12/6/2011



Mill City Comprehensive Plan Map NR-10



Mill City Planning Area 100 Year Flood Plain



Map Data Sources: Linn County GIS and Marion County GIS.
January 2015

Legend

- MillCityPlanningArea
- Ugb
- Roads
- City Limits
- CountyBoundaryLine
- 100 Year Floodplain

NOTE:

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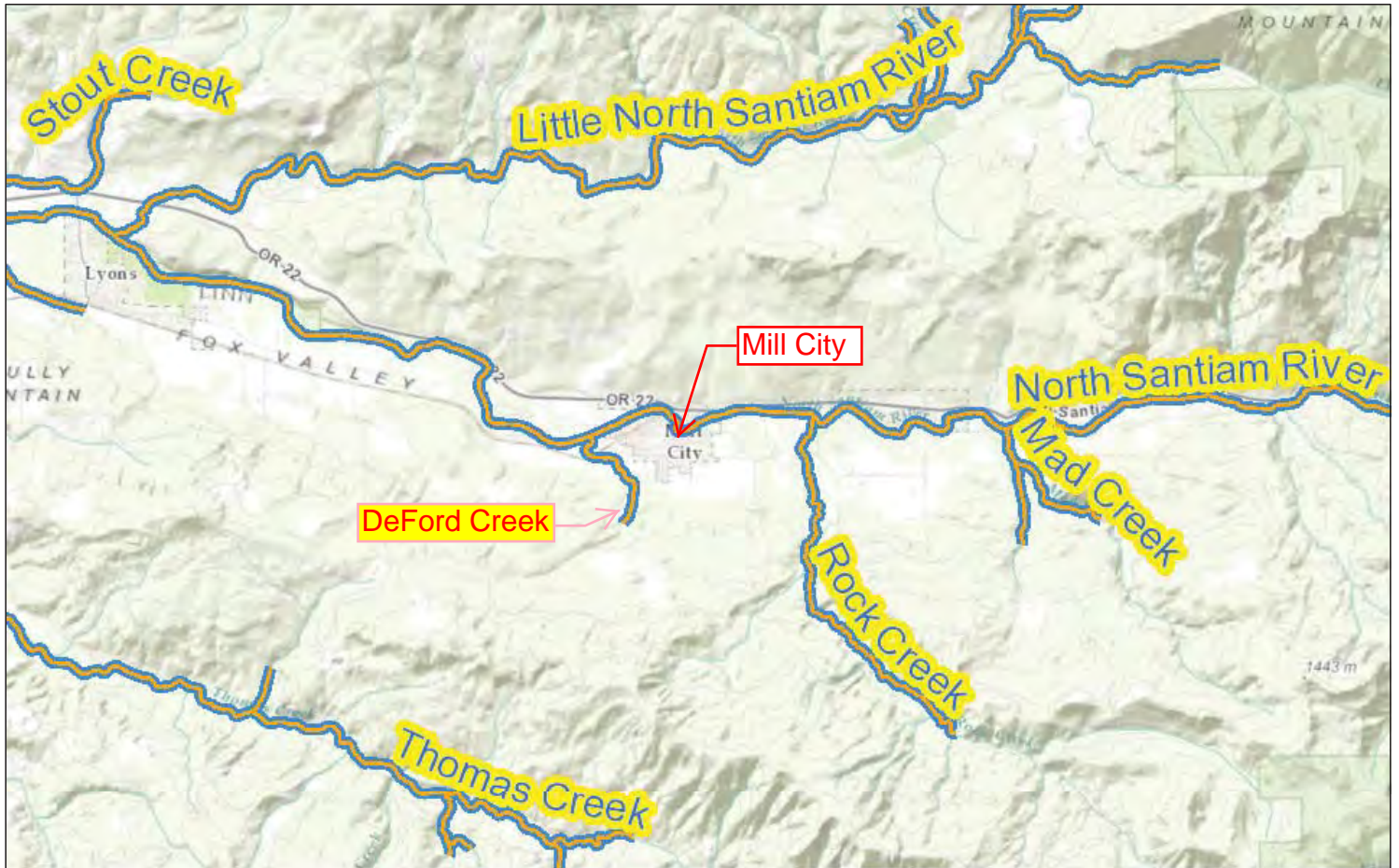
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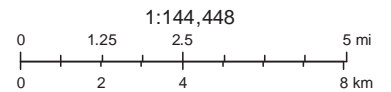
Mill City Comprehensive Plan Map NR-11

Essential Salmonid Habitat (2014)



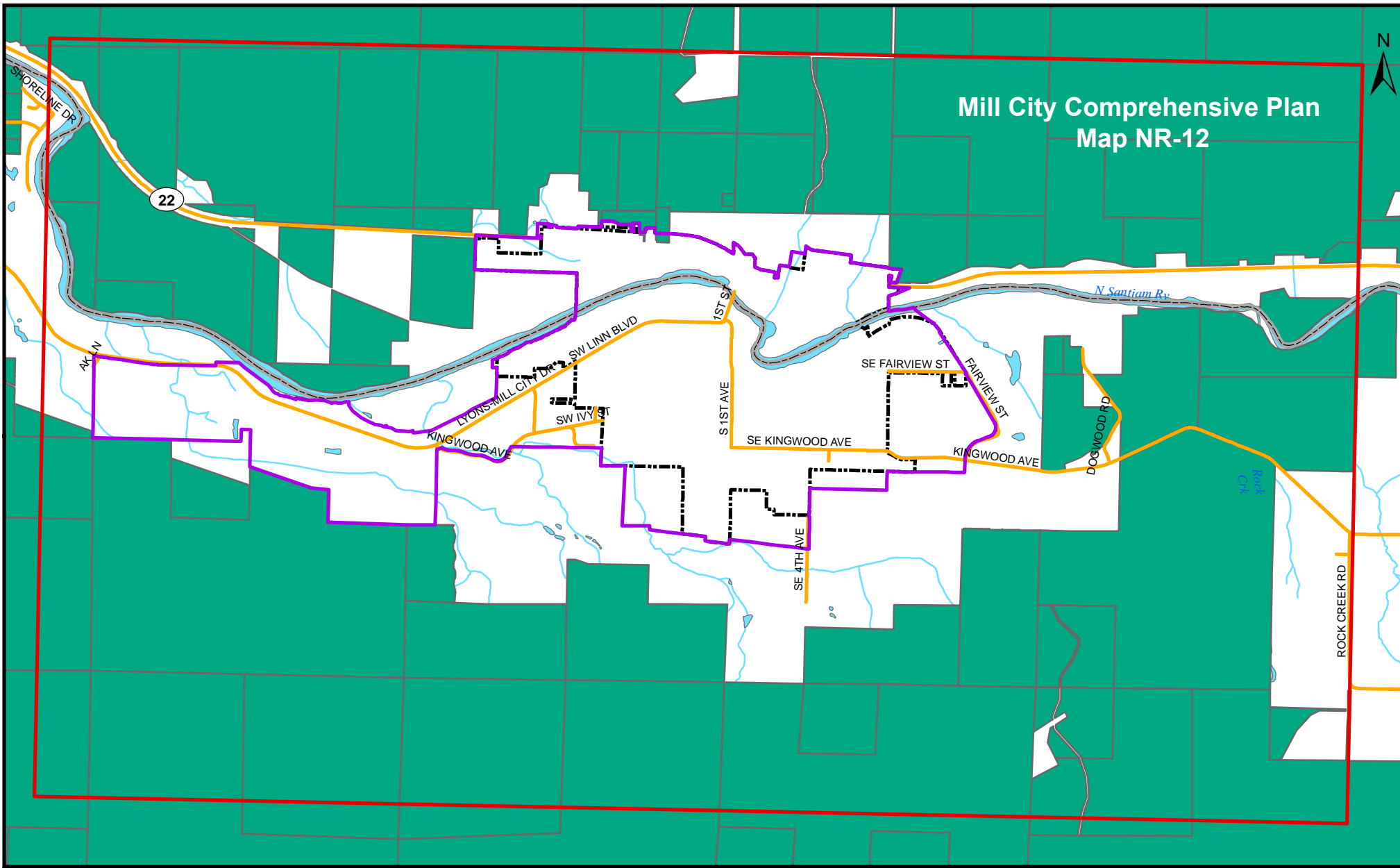
December 11, 2014

- Draft Essential Salmonid Habitat 2014
- Essential Salmonid Habitat 2010

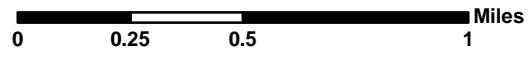


Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL,

Mill City Comprehensive Plan Map NR-12



Mill City Planning Area Forest Lands



Map Data Sources: Linn County GIS and Marion County GIS.
January 2015

Legend

- MillCityPlanningArea
- Ugb
- Forest Lands
- CountyBoundaryLine
- City Limits
- Roads

NOTE:

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Exhibit “C”

Mill City Buildable Lands Analysis – 2015 Update

The Mill City Buildable Lands Analysis dated February 2015, attached hereto, is adopted as a technical amendment to the Mill City Comprehensive Plan.

Mill City Buildable Lands Analysis Update



Prepared for City of Mill City

By

Ryan Taylor
Resource Assistance for Rural Environments
(RARE)
1209 University of Oregon
Eugene, OR, 97403-1209

David W. Kinney
Community Development Consultant
Planning Consultant for Mill City
791 E. Hollister St.
Stayton, OR 97383

February 2015 Update

ACKNOWLEDGMENTS

The Mill City Buildable Lands Analysis was prepared in 2010 by Ryan Taylor through a partnership between City of Mill City and Resource Assistance for Rural Environments (RARE), an AmeriCorps program administered by the University of Oregon Community Service Center. Mr. Taylor was a RARE participant, with a Master's degree in Urban Planning, who worked for the City of Mill City as a planning assistant for one year in 2009-2010. The preparation and completion of the Mill City Buildable Lands Analysis was Mr. Taylor's significant work achievement for the City of Mill City.

The buildable lands analysis was updated in 2015 by the City of Mill City's Planning Consultant David W. Kinney. The Mill City Buildable Lands Analysis was adopted in May 2015 as a technical amendment to the Mill City Comprehensive Plan.

The City of Mill City extends special appreciation to Scott Valentine and Steve Barnett with the Linn County Geographic Information Systems Department for compiling the 2014 land use data for inclusion in this report and for the preparation of the updated maps.

The authors gratefully acknowledges the participation of the City of Mill City and the following key participants:

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Linn County and Marion County Geographic Information Systems (GIS)
Linn County and Marion County Assessors
Lane Council of Governments (LCOG)
SWCA Environmental Consultants

Mill City Planning Commission (2015)

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Ann Carey
Dennis Chamberlain
David Leach
Cheryl Lundquist
Gay Stuntzner
Fran Villwock

Resource Assistance for Rural Environments (RARE Program Staff -2010)

Megan Smith, Program Director
Amie Collins, Field Coordinator

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City of Mill City

Buildable Lands Analysis Update

February 2015

1. Executive Summary

The City of Mill City Buildable Lands Analysis Update reviews population and land use needs for the City of Mill City and its urban growth boundary area for the 20-year planning period from 2015 to 2035. It provides detailed information on existing land uses and constraints which will restrict development on certain parcels. It also analyzes future land use needs and estimates the number of buildable acres that are necessary to meet projected residential, commercial, industrial and public land needs.

The City reviewed all types of residential and employment land. The City considered development options available to property owners including building on vacant parcels, subdividing larger properties, infill development on partially developed parcels or redeveloping land where structures have a low value compared to the total assessment of the land.

Oregon Revised Statutes (ORS) 197.296 establishes the standards and criteria cities must use to inventory and analyze buildable residential lands. Although Mill City's population is under 25,000 people and the City is not required to prepare a buildable lands analysis at this time, the City concluded an updated buildable lands analysis was needed to plan for future development and should be completed as an element of the 2015 Mill City Comprehensive Plan Update – Part 1.

Each city in Oregon must demonstrate that the City has a 20-year supply of available land that can be developed for residential, commercial, industrial, and public uses. This update satisfies ORS 197.296 3(a) and (b), and Oregon Administrative Rules requirements. The City finds this 2015 update of the City of Mill City Buildable Lands Analysis complies with Oregon Administrative Rules OAR 660.008.0010 (Analysis of needed housing mix and densities), OAR 660.009.0015 (Analysis of economic opportunities and employment lands), OAR 660.024.0030 (Population Forecasting), OAR 660-024-0040 (Analysis of Land Need) and 660.024.0050 (Evaluating the adequacy of the current UGB). It also complies with the State of Oregon's Planning Goal #2: Land Use Planning and provides valuable land use data to guide future land use decisions within the Mill City UGB.

The 2013 Oregon Population Report (Oregon Population Research Center, Portland State University) certified Mill City's July 1, 2013 population at 1,870 persons.

The City estimates Mill City's population will grow from 1,870 people in 2013 to a forecast population of 2,461 people in the year 2035, an increase of 591 residents. The population forecast assumes Mill City will maintain its proportionate share of the historic county populations (1.31% in Linn County and 0.10% in Marion County respectively) as the community grows. The City's population forecast methodology is included in Section 3 of this report and in Chapter 3 of the 2015 Mill City Comprehensive Plan Update.

The City assumes the future household size will remain similar to the household size found in the 2010 Census. Based on 2.65 persons per household Mill City will need to add 272 dwelling units to accommodate the projected population growth by the year 2035. Table 1 shows there are 127 acres of net buildable residential land available inside the Mill City Urban Growth Boundary (UGB). The City estimates it will need 44.13 acres to accommodate the needed dwelling units during the 20 year planning period from 2015 to 2035. This leaves the City with a surplus of almost 80 acres of land inside the UGB designated for residential uses. Therefore, the City of Mill City concludes it has adequate residential land available to house an additional 591 residents by the year 2035.

Table 1
Comparison of Land Need and Land Supply through 2035

| Zoning Designation | NET Buildable Land Available in 2014 (Acres) | Buildable Land Needed 2014-2035 (Acres) | Deficit or Surplus of Acres |
|----------------------|--|---|-----------------------------|
| Residential | 127.45 | 44.13 | 83.32 |
| Commercial | 22.64 | 5.43 | 17.21 |
| Industrial | 51.50 | 27.50 | 24.00 |
| Total Acreage | 201.59 | 77.06 | 124.53 |

In 2015, the City has 22.64 acres of buildable commercial land. The City estimates it will need 5.43 acres of buildable commercial land by the year 2035. Available commercial land exists in along the Hwy 22 corridor north of N. Santiam River in Marion County and in the downtown commercial area south of the river in Linn County. Table 1 shows the City has an adequate supply of buildable commercial land to meet projected needs.

Mill City currently has 51.50 acres of buildable industrial land. The City estimates it will need 27.5 acres of buildable industrial land by the year 2035. Available industrial land is found along Lyons-Mill City Drive at the west end of the UGB. Table 1 shows the City has an adequate supply of industrial land to meet projected needs.

The City of Mill City concludes there is a need for public lands by 2035. The City believes there is a sufficient supply of public land for educational facilities and general government buildings, but a need for additional 15 to 20 acres of park land in addition to property for right-of-way and utilities within new development. The City utilized the safe harbor methodology allowed for in OAR 660-024-0040 (10) and set aside 67 acres, 25% of the Gross Buildable land, for future public uses. The public land set-aside calculations are shown in Tables 12 and 24.

These forecasts will aid the City in developing policies and goals to attract the desired commercial and industrial businesses, plan for the range of housing types that are most needed and provide sufficient land for schools, parks and public facilities.

2. Mill City's Development through 2015

The City of Mill City is a small timber community situated in the North Santiam Canyon, 30 miles east of Salem and 20 miles west of Detroit Lake. The City is bisected by the N. Santiam River and surrounded by steep forested slopes which have been managed for timber production throughout the last century. The City is located in both Marion County, north of the N. Santiam River, and Linn County, south of the river. The Santiam Canyon School District has K-12 schools within the city limits, and is among the largest employers in the city. Frank Lumber Company Inc. and Freres Lumber Company Inc, two locally owned wood products companies, supply a majority of the private sector jobs.

The City of Mill City saw little development between 1970 and 2000. In the midst of decline in timber demand and automation in the wood products industry, Mill City's population fell by 23 residents between 1980 and 2000. From 2000 to 2007, the City experienced significant residential development. With the onset of the Great Recession in late 2007, new housing starts slowed dramatically.

Residential growth in Mill City from 2000 to 2015 has included scattered single family and duplex infill projects plus several subdivision developments in various parts of the City. Santiam Pointe, a 30 acre parcel along the north bank of the N. Santiam River, was subdivided in 1999. This special-planned residential development contains higher value homes built between 2003 and 2010. The Kingwood Addition, a 14-lot subdivision on SE 2nd Avenue was platted in 2002 and homes were built in the early 2000s. Near the south edge of the City, more than 20 moderately priced homes have been constructed since 2005 in the Orchard Park and Luxury Estates subdivisions. These new housing developments enabled the City of Mill City to grow at an average annual growth rate of 1.9% between 2000 and 2010. With few housing starts after 2010, the average annual growth slowed to 0.26% annually after 2010.

Employment data also shows that during the past 25 years Mill City has changed from a relatively self-sufficient small town to a bedroom-community, with workers making the 20-40 minute commutes to their jobs in Stayton and in the Salem metropolitan area. Some of this transition to a bedroom community status can also be attributed to Hwy 22 improvements and growth in the Stayton / Sublimity commercial and industrial sectors.

Since 1990, significant highway improvements have been made by the Oregon Department of Transportation to Oregon Hwy 22 between Salem and Mill City. The 12 mile section from Salem (I-5 to Stayton) was improved from a 2-lane highway to a 4-lane divided freeway in the early 1990's. A 4-lane divided highway section between Stayton and Mehama was completed in the mid-1990's, passing lanes were added on Phillips Hill east of Mehama, and the Stayton/Sublimity interchange was upgraded in 2009. All of these improvements have enhanced traffic safety and made the 30 mile commute from Mill City to Salem much easier.

3. Population History and Population Forecast to 2035

3.1 Population History

Mill City’s population grew from 1537 residents in the year 2000 to 1855 persons in 2010; an increase of 318 persons (21%) in the first decade of the 2000s.

Mill City’s population growth in the first decade of the 2000s mirrored growth in nearby communities. Cities throughout the North Santiam Canyon grew equally as fast or outpaced Mill City in percentage increases. Between 1990 and 2009, the cities between Mill City and Salem all experienced continuous annual growth; Stayton (3%), Sublimity (3.6%), Aumsville (6%) and Lyons (1.1%). Stayton’s commercial base and industrial job base also expanded during these two decades, which provided increased employment opportunities for residents throughout the North Santiam Canyon. However, to Mill City’s east further into North Santiam Canyon, the picture was different. The City of Gates population only increased by six residents and Detroit’s population fell 0.9% annually during the same time period.

Table 2 summarizes population growth of Mill City from 1970 to the present. After several decades of a near static population (1970 to 2000), the City’s average annual growth rate was 1.9% between 2000 and 2010.

Table 2
Mill City Population Estimates

| Year | Mill City Population Actual | Mill City Population Estimate | Average Annual Growth Rate (%) |
|-------------|-----------------------------|-------------------------------|--------------------------------|
| 1970 | 1451 | | – |
| 1980 | 1565 | | 0.79 % |
| 1990 | 1555 | | -(0.06) % |
| 2000 | 1537 | | -(0.12) % |
| 2010 Census | 1855 | | 1.90 % |
| 2013 (PSU) | 1870 | | 0.26% |
| 2020 | | 2048 | 1.32% |
| 2025 | | 2191 | 1.36% |
| 2030 | | 2331 | 1.25% |
| 2035 | | 2461 | 1.09% |

Source: 1970 to 2013 populations - US Census, Portland State University PRC

The Population Research Center at Portland State University estimates annual population increases from building permits and annexation information provided by each city. The 2010 Census showed actual population was 1855 and the 2013 certified population estimate was 1870 persons.

3.2 Population Forecast

The state requires each county to establish a population forecast for the entire county and to coordinate this forecast with the local governments within its boundary.¹

Marion County prepared a coordinated population forecast for the County and its twenty incorporated cities in 2009.² In that report Mill City's population was projected to grow to 1792 residents by the year 2030. Mill City's population has already exceeded the estimate.

The last time Linn County prepared a coordinated population forecast that included Mill City was 1999 which forecast population only to 2020. Since Linn County's population forecast does not cover the entire 20-year planning period, a city is allowed to use an alternate population forecast.³ Therefore Mill City has used an alternative population forecast for the plan period as provided for in statute. The City followed the safe harbor provisions of OAR 660-024-0030 (4)(b)(C).

The Linn County and Marion County coordinated population forecasts by the year 2035 were updated by the State of Oregon Office of Economic Analysis (OEA) in March 2013.⁴ The updated OEA forecast anticipates both Linn County and Marion County will grow faster than projected in Marion County's 2009 report. The two-county total population is forecast to be 581,047 people in the year 2035.

The City used OEA's forecast coupled with the PSU 2013 certified population estimates for Mill City, Linn County and Marion County to project Mill City's population during the 20-year planning period.

In 2010, Mill City's proportionate share of the county population was 1.31% of the Linn County population and 0.10% of Marion County's population. Mill City's share of the combined two-county populations in 2010 was 0.43%. The City's share of the county population has dropped slightly since 2010. The City's 2013 certified population estimate of 1870 people was 0.424% of the total 2013 certified population estimate of 441,535 for both counties.

In order to estimate the City's population in 2035, the City assumes it will maintain its proportional share (0.424%) of the total combined populations in the two counties using the 2013 certified PSU population estimate as permitted in OAR 660-024-0030 (4)(b)(C).

¹ ORS 195.025 and ORS 195.036.

² In 2009, Marion County updated its coordinated population projections for all its 20 cities based on a 2008 PSU population study. The September 2008 Report "*Population Forecasts for Marion County, its Cities and Unincorporated Areas 2010-2030, Revision 1*" by the Population Research Center, College of Urban and Public Affairs, Portland State University provides a 2030 population forecast for Marion County of 410,245 persons.

The report also provides population forecasts for all 20 cities. The estimated the 2030 population of the Marion County portion of Mill City at 367 persons and the provided an overall 2030 population forecast for Mill City of 1792 persons. Ordinance 1291 adopted October 2, 2009. [Marion County Oregon - Population Forecasting](http://www.co.marion.or.us/PW/Planning/population.htm) <http://www.co.marion.or.us/PW/Planning/population.htm>

³ ORS 195.034(2)

⁴ [Office of Economic Analysis Demographic Forecast](#), March 28, 2013 Long Term County Forecast

The City extrapolates that Mill City’s population will grow by 591 persons (31%) from 1,870 people in 2013 to a population of 2,461 persons in 2035 at the end of the 20-year planning period.⁵ Table 3 shows Mill City’s 2035 population estimate will maintain its proportionate share of the combined population of Linn/Marion counties.

Table 3
**2010 Census and 2013 PSU Population Estimate
 and 2035 Population Forecast**

| 2010 Census | | | |
|--|--------------|----------------|-----------------------------|
| | Mill City | County | Mill City % of County total |
| Linn County | 1,531 | 116,840 | 1.31% |
| Marion County | 324 | 315,900 | 0.10% |
| Total | 1,855 | 432,740 | 0.43% |
| 2013 PSU Population Estimate | | | |
| | Mill City | County | % |
| Linn County | 1,544 | 118,665 | 1.30% |
| Marion County | 326 | 322,880 | 0.10% |
| Total | 1,870 | 441,545 | 0.424% |
| 2035 Forecast Population @ 2013 Proportionate Share of Total County Populations | | | |
| | Mill City | County | % |
| Linn County | 2,031 | 150,395 | |
| Marion County | 430 | 430,652 | |
| Total | 2,461 | 581,047 | 0.424% |

Source: State of Oregon, Office of Economic Analysis, March 2013 County Forecast, and the 2013 PSU Certified Population estimate.

⁵ OAR 600-024-0030 (4) A city and county may apply one of the safe harbors in subsections (a), (b), or (c) of this section, if applicable, in order to develop and adopt a population forecast for an urban area: . . .

(b) A city and county may adopt a 20-year forecast for an urban area consistent with this section. The forecast is deemed to comply with applicable goals and laws regarding population forecasts for purposes of the current UGB evaluation or amendment provided the forecast:

(A) Is adopted by the city and county in accordance with the notice, procedures and requirements described in section (1) of this rule;

(B) Is based on OEA's population forecast for the county for a 20-year period commencing on the date determined under OAR 660-024-0040(2); and

(C) Is developed by assuming that the urban area's share of the forecasted county population determined in subsection (B) of this rule will be the same as the urban area's current share of county population based on the most recent certified population estimates from Portland State University and the most recent data for the urban area published by the U.S. Census Bureau.

The average annual growth rate from 2013 to 2035 is estimated to be 1.25% annually.

The City assumes household size in Mill City will drop slightly from 2.70 persons per household to 2.65 persons per household during the 20-year planning period. Based on a household size of 2.65 persons per household, the City will add approximately 22 residents per year and 8-9 new housing units annually.⁶

Table 4 shows the incremental population growth that is forecast to occur in both counties and the City of Mill City from 2015 to 2050.

Table 4
Forecast Population Growth for Mill City
2010 – 2050

| Combined Linn & Marion Counties Population Forecast | | | | City of Mill City Forecast @ 0.424 of the Combined Linn County & Marion County Population Forecast | | |
|--|------------|--------|----------|--|--------|----------|
| Year | Population | Change | % Change | Population | Change | % Change |
| <i>Actual Population</i> | | | | | | |
| 2010 Census | 432,740 | | | 1,855 | | |
| 2011 PSU Est | 435,490 | | | 1,865 | | |
| 2012 PSU Est | 438,530 | | | 1,870 | | |
| 2013 PSU Est | 441,535 | | | 1,870 | | |
| <i>Population Forecast</i> | | | | | | |
| 2015 | 452,784 | 20,045 | 4.63% | 1,918 | 83 | 4.63% |
| 2020 | 483,643 | 30,858 | 6.82% | 2,048 | 130 | 6.82% |
| 2025 | 517,313 | 33,670 | 6.96% | 2,191 | 143 | 6.96% |
| 2030 | 550,285 | 32,972 | 6.37% | 2,331 | 140 | 6.37% |
| 2035 | 581,048 | 30,762 | 5.59% | 2,461 | 130 | 5.59% |
| 2040 | 610,062 | 29,015 | 4.99% | 2,584 | 123 | 4.99% |
| 2045 | 638,419 | 28,357 | 4.65% | 2,704 | 120 | 4.65% |
| 2050 | 666,813 | 28,394 | 4.45% | 2,824 | 120 | 4.45% |

Source: State of Oregon, Office of Economic Analysis, March 2013 County Forecast, PSU Certified Population estimates for 2013 and the City of Mill City's population projection at 0.424% of the combined population of Linn County and Marion County.

This analysis uses the 2035 population forecast for Mill City of 2461 persons to analyze housing needs and buildable lands.

⁶ In a 2009 population forecast study for Marion County, the PSU Center for Population Research concluded household size in Marion County's fifteen smallest cities is expected to remain close to the 2.70 average household size between the period 2010 to 2030. The forecast for Mill City anticipates household size will decrease slightly to 2.65 persons per household by the year 2030. Source: Population Forecasts for Marion County, its Cities and Unincorporated Area 2010-2030, prepared by Population Research Center, College of Urban and Public Affairs, Portland State University, September 2008.

4. Buildable Lands Analysis Methodology

The City of Mill City and the Linn County GIS staff inventoried all parcels within the UGB using a combination of Linn County and Marion County property classifications, comprehensive plan designation and zoning. The inventory enabled the city to identify which parcels were fully developed and which parcels were vacant or had potential for redevelopment and/or infill. Aerial photography and site visits were used by city staff to verify that the data contained in the county property assessment records was accurate and up-to-date. In a few instances the County data was updated to reflect recent changes to the property use. The data collection technique, buildable land types, and classification methodology are described below.

- **Gross Land Area**

The City combined data from the Linn County Tax Assessor and Marion County Tax Assessor databases and then utilized the Linn County Geographic Information Systems (GIS) to calculate the total of all public and private properties within the UGB by zoning district. Public roads, right-of-way and the North Santiam River are not included in the total acreage in each zone.

- **Developed Lands**

Using the Linn County GIS database, the total acreage for all developed lands was calculated. Inside the city limits, parcels were assigned using the City's current zoning categories as Single Family Residential, Multi Family Residential, Central Commercial, Highway Commercial, Industrial, Public, and Special Planned Development District zones.

Since this Buildable Lands Analysis explores development within the entire UGB, the City inventoried parcels outside the city limits and inside the UGB using plan designation and zoning categories for each county. Properties in the UGB were assigned to Linn County's Urban Growth Area Rural Residential (UGA-RR), Limited Industrial (UGA-LI), and Heavy Industrial (UGA-HI) categories or to Marion County's Urban Transition-Commercial (UT-C) and Urban Transition-Residential (UT-R) zones.

The developed land inventory includes all fully improved parcels and the developed portions of larger parcels. Vacant areas of partially developed parcels larger than ¼ acre were identified as potential infill lots.

- **Constrained Land**

Statewide Planning Goal 9 "Economic Development" and Goal 10 – "Housing" allow cities to remove constrained lands from the City's buildable lands inventory. OAR 660-008-005 establishes parameters for the identification of constrained lands in residential zones. Land is generally considered "suitable and available" for development unless the property is constrained by a significant natural hazard or geographic feature. Constrained lands may

include properties located in a 100-year flood plain, floodway, wetlands, riparian corridors along rivers and streams, steep slopes, greenbelts and properties committed to public use.⁷

In Mill City, the City identified the following constrained lands:

1. Bonneville Power Administration (BPA) electrical transmission line easement
2. Locally significant wetlands
3. Steep slopes
4. North Santiam River Floodway

BPA Transmission Line Easement: BPA has large electrical transmission lines along the south edge of the Urban Growth Boundary. The majority of the BPA right-of-way is outside the UGB, but there are less than 20 acres inside the UGB. The City considered the 100'+/- wide easement area under these high-tension power lines as a committed public use and not available for development.

Locally Significant Wetlands: In 2010, SWCA, an environmental planning consultant, in partnership with the Lane Council of Governments, conducted a local wetlands inventory of Mill City and delineated the boundaries of significant local wetlands. The locally significant wetlands encompass 25.57 acres of land within the Mill City UGB. The Local Wetland Inventory Report for the City of Mill City, Linn and Marion Counties, Oregon was adopted by the City and approved by the Oregon Division of State Lands on December 14, 2011.⁸

Steep Slopes: Land with steep slopes was inventoried. Linn County GIS staff used GIS spatial modeling and contour shape files to identify parcels with slopes of 25% or more in all zones.

North Santiam River Floodway: The North Santiam River has a designated floodway and 100-year flood plain. In 2010 Mill City adopted Ordinance 359 identifying the Area of Special Flood Hazard identified by the Federal Emergency Management Agency in its Flood Insurance Study (FIS) for Linn County⁹, dated September 29, 2010, with

⁷ OAR 660.008.005(2) "Buildable Land" means residentially designated land within the urban growth boundary, including both vacant and developed land likely to be redeveloped, that is suitable, available and necessary for residential uses. Publicly owned land is generally not considered available for residential uses. Land is generally considered "suitable and available" unless it:

- (a) Is severely constrained by natural hazards as determined under Statewide Planning Goal 7;
- (b) Is subject to natural resource protection measures determined under state Planning Goals 5, 15, 16, 17, or 18;
- (c) Has slopes of 25 percent or greater;
- (d) Is within the 100-year flood plain; or
- (e) Cannot be provided with public facilities.

⁸ Local Wetland Inventory Report for the City of Mill City, Linn and Marion Counties, Oregon prepared for the Lane Council of Governments and the City of Mill City by SWCA Environmental Consultants, Inc., October 2011, SWCA Project 16272. The wetlands study was approved by the Oregon Department of State Lands, December 16, 2011. The City of Mill City has adopted and approved wetlands protection measures in Chapter 17.72 of the Mill City Zoning Code. DLCD City of Mill City PAPA File # 002-14.

⁹ Flood Insurance Study for Linn County and Incorporated Areas dated September 29, 2010, Federal Emergency Management Agency, Flood Insurance Study Number 41043CV001.A, City of Mill City, Oregon – Community Number 410143. Adopted by the City of Mill City, Ordinance No. 359, September 2010. DLCD City of Mill City PAPA File # 002-10.

accompanying Flood Insurance Rate Maps (FIRM). The flood protection regulations prohibit development in the designated floodway but permit development in the 100-year flood plain if the base floor elevation is one foot above the base flood elevation.¹⁰ The designated floodway is identified as constrained land because development is precluded.

The balance of the 100-year flood plain is considered available for development. Vacant, redevelopable and infill parcels within the 100-year flood plain are identified as buildable land.

Parcels impacted by the BPA power line easement, steep slopes, locally significant wetlands and the North Santiam River floodway are mapped showing them as constrained land. These constrained areas are not buildable.

- **Available land for development**

The available land was measured by subtracting developed land from the gross land area. Available land for development includes vacant, infill, and redevelopable land. These classifications are considered mutually exclusive.

- **Vacant Land**

The Linn County GIS staff inventoried vacant land within the UGB using Linn County Tax Assessor and Marion County Tax Assessor data in the Linn County GIS database. The maps and data were verified the information using 2014 aerial photography, 2014 building permit data and a visual review of the shape files by the City's planning consultant and the Linn County GIS staff. Vacant lands are parcels that are entirely unimproved or those that lack permanent occupied dwellings.

Vacant Residential Lands: Under Mill City's zoning code, the R-1 single family zone has a minimum lot size of 7,000 square feet and the R-2 multi-family zone has a minimum lot size of 5,000 square feet for a vacant building lot. For this analysis, vacant lots larger than 5,000 sq. ft. were entered into the parcel database as undeveloped and buildable.

Vacant Employment Lands: For this analysis vacant commercial land includes all vacant parcels with no permanent dwellings. Vacant industrial land means a lot or parcel: (a) Equal to or larger than one half-acre not currently containing permanent buildings or

¹⁰ 100-Year Flood Plain and Riparian Area along the N. Santiam River: In 2010 when the first draft of the buildable lands analysis was prepared, a riparian setback of 75 feet from a line delineating the bank full stage of the North Santiam River was used to identify non-buildable areas along the river. This 75' wide area included all of the designated floodway plus additional land in the 100-year flood plain. The 75' distance is considered a "safe harbor" policy under Goal 5 for riparian areas along rivers and streams that have a flow of 1000 cubic feet per second (CFS) or more. In 2009, the N. Santiam River had a mean CFS discharge of 3521 cfs. As of September 2014, the City of Mill City has not prepared or adopted a riparian inventory or protection measures that meet Goal 5 requirements. Therefore, the 75' riparian area is excluded from the final buildable lands calculations. Once a detailed riparian inventory is completed, the City will adopt it, modify the constrained land map showing the riparian corridor and adopt appropriate protection measures.

improvements; or (b) Equal to or larger than five acres where less than one half-acre is occupied by permanent buildings or improvements.

- **Infill Land**

Lots were considered potential infill development if they met the criteria to be developable after the acreage of existing housing was subtracted from the total parcel acreage. Infill lots are those that currently contain a primary structure, but the lot is large enough in size and shape to be partitioned or subdivided in to lots meeting the minimum size and shape requirements in the Mill City Zoning Code. Residentially zoned parcels with a parcel size of less than ½ acre (21,780 sf) and an existing dwelling were considered to be fully developed as allowed by OAR 660-024-0050 (2)(a).

For a residential lot 0.5 acres or larger, GIS maps were used to demarcate improvements on a lot, verify the improved parcel area was at least 5,000 square feet in size and the structures met the minimum setbacks from the building to the edge of the property. The remaining unimproved portion of the lot was defined as a shape file. If the remaining vacant area was larger than 5,000 square feet, met the minimum lot size, lot width and the City's street frontage requirements¹¹, the area was considered for potential infill development.

Figure 1 - Example of Infill Development



For example, Figure 1 shows Parcel 09S03E32BC 00300. This parcel has a total of 35,000 square feet. If the parcel were divided into two lots, the existing dwelling could remain on a 20,000 sf parcel and a new 15,000 building site could be created. Because the potential new lot meets the minimum lot size and street frontage requirements, the City included this vacant portion of the parcel as potential infill land.

¹¹ City of Mill City minimum lot frontage requirements vary by zone and type of lot. R-1 Zone: 70' street frontage required. R-2 Zone: 50' street frontage required. Cul-de-sac lots and flag lots: 25' street frontage required.

- **Redevelopable Land**

Properties that were fully improved with building improvements (homes, manufactured homes, commercial or industrial buildings) were considered to be eligible for redevelopment if the value of the structures was low. If the Real Market Value (RMV) of all of the existing structures (improvements) on the parcel was less than 1/3 of the RMV of the land, then the parcel was identified as redevelopable.

If a property had a RMV of \$15,000 for all improvements and the land had a RMV of \$50,000, then the improvements are valued at 30% of the land.

| | |
|--|-----------|
| Improvement Value | \$ 15,000 |
| Land Value (RMV) | \$ 50,000 |
| Ratio of Improvement Value to Land Value | 30% |

The \$15,000 value meets the threshold of 1/3 improvement value to land value ratio. Each property that fit this criterion was evaluated. Allowances were made when the low value ratio was caused by a large-size property. These parcels were deleted from the potential redevelopment listings. The 2014 Real Market Values for the parcels were obtained from the Linn County Assessor's and Marion County Assessor's records.

5. Buildable Land

5.1 Gross Land Area and Developed Land by Zoning District

The Mill City UGB includes 923 acres of land. Mill City has 429 acres of developed land and another 166 acres of land that is not zoned including the North Santiam River, street right-of-way and a few miscellaneous unzoned parcel fragments. Table 5 provides a summary of the gross acres inside the Mill City UGB and the amount of developed land in each land use zone.

Available land is the amount of land that is potentially available for future development after developed land is removed from the total acreage. In the Mill City UGB, the 429 acres of developed land and 166 acres of land area not zoned are subtracted from the 923 acres of the UGB. Table 5 shows there are 328 acres of uncommitted land that is available for development.

Table 5
Available Land by Zoning District

| Zoning | Gross Acreage | Developed Acreage | Available Land |
|--|---------------|-------------------|----------------|
| Single Family Residential | 145.06 | 97.82 | 47.24 |
| Multi Family Residential | 104.05 | 69.40 | 34.65 |
| Special Planned District | 14.66 | 3.44 | 11.22 |
| Rural Residential | 131.25 | 42.04 | 89.21 |
| Central Commercial | 24.25 | 17.22 | 7.03 |
| Highway Commercial | 59.19 | 31.26 | 27.93 |
| Industrial | 0 | 0 | 0 |
| Limited Industrial | 41.87 | 13.07 | 28.80 |
| Heavy Industrial | 164.69 | 82.20 | 82.49 |
| Public | 72.58 | 72.58 | 0 |
| Total Acreage in Zoning Districts | 757.60 | 429.03 | 328.57 |
| N. Santiam River, ROW & Not Zoned | 166.02 | | |
| Total Acreage in UGB | 923.62 | | |

The available land total includes vacant parcels, infill lots and constrained land that is unbuildable. In order to determine the amount of buildable land, the City must subtract the unbuildable areas (constrained land), subtract acreage needed for public purposes and add back in low value properties that have potential to be redeveloped.

5.2 Constrained Land

There are 89 acres of constrained land inside the Mill City UGB. This total is generated from shape files created using information in Linn County's GIS database. Constrained land includes the N. Santiam River floodway, BPA power line easement, steep slopes exceeding 25% slope, or locally significant wetlands listed in the Mill City Local Wetlands Inventory. Some properties have areas constrained by more than one constraint. In those instances, a hierarchy

was established, in the following order: BPA Power Lines, Floodway, Steep Slopes, and Wetlands. The location and classification of constrained lands are shown in Map 1.

Table 6
Constrained Land by Type inside the Mill City UGB

| Constrained Land Type | Acres |
|-------------------------------|--------------|
| BPA Power Lines | 18.85 |
| North Santiam River Floodway | 5.78 |
| Steep Slopes | 51.60 |
| Wetlands | 12.70 |
| Total Constrained Land | 88.93 |

There are 29.14 acres of constrained land found on developed and unzoned land. These 29.14 acres of constrained land are already committed to an urban use. In order to calculate buildable land, the City needs to know how much constrained land there is on land that can be developed in the future. Using Linn County’s GIS data, the City identified the total amount of constrained land by zoning district for the available vacant, infill and redevelopable land.

Table 7
**Constrained Land by Zoning District
 Vacant, Infill and Redevelopable Lands**

| Zoning District | Acres |
|-------------------------------|--------------|
| Single Family Residential | 2.43 |
| Multi Family Residential | 2.05 |
| Special Planned District | 1.05 |
| Rural Residential | 6.86 |
| Central Commercial | .31 |
| Highway Commercial | 4.46 |
| Industrial | 0 |
| Limited Industrial | 2.90 |
| Heavy Industrial | 39.73 |
| Total Constrained Land | 59.79 |

Table 8
Constrained Land by Plan Designations & Zoning Districts

| Zoning | Vacant | Infill | Redevelopable | Total Constrained Land |
|----------------------|--------------|--------------|---------------|------------------------|
| Residential | 7.03 | 3.31 | 2.05 | 12.39 |
| Commercial | 3.45 | 1.17 | 0.15 | 4.77 |
| Industrial | 14.28 | 28.15 | 0.20 | 42.63 |
| Total Acreage | 24.76 | 32.63 | 2.40 | 59.79 |

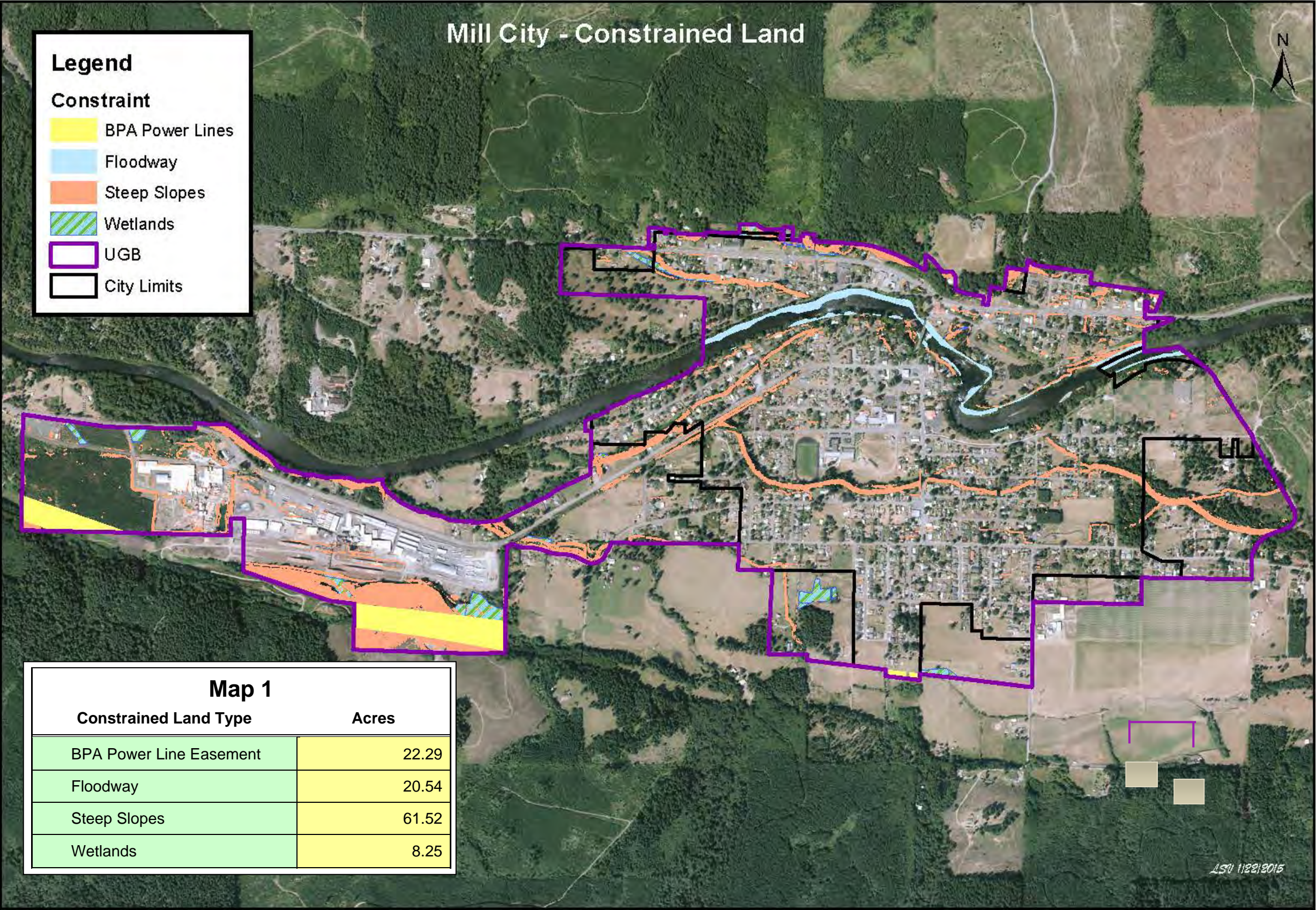
Tables in Section 6 of this analysis subtract the constrained land from the available vacant, infill and redevelopable land in order to identify the amount of buildable land in each zoning district.

Mill City - Constrained Land

Legend

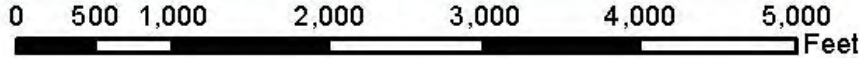
Constraint

- BPA Power Lines
- Floodway
- Steep Slopes
- Wetlands
- UGB
- City Limits



| Map 1 | |
|-------------------------|-------|
| Constrained Land Type | Acres |
| BPA Power Line Easement | 22.29 |
| Floodway | 20.54 |
| Steep Slopes | 61.52 |
| Wetlands | 8.25 |

Map Data Sources: Linn and Marion Counties.
January 2015



LSU 1122/2015

6. Vacant, Infill, and Redevelopable Land

This buildable lands analysis identifies the quantity of land (categorized by zoning district) that is available for development within the Mill City UGB. The City considers vacant, infill and redevelopable land as being as available for development. The City must ensure there are a sufficient amount of available, buildable acres to allow for needed housing and business development over the 20-year planning period.

The following tables provide summaries of vacant, infill, and redevelopable land by zoning district within the UGB. Map 4 - Available Buildable Land shows the location of all forms of buildable land within the Mill City UGB, with an overlay of land constrained by the North Santiam River floodway, locally significant wetlands, BPA power lines, and/or steep slopes in excess of 25%.

6.1 Vacant Land

Vacant land includes all property where there are no permanent structures or improvements. It also includes legal lots of record and any very small parcel contiguous to another vacant parcel if they can be combined to create a lot with a size equal or larger than 7,000 sq. ft. in the Single Family Residential (R-1) zone or 5,000 sq. ft. in the Multi-Family Residential (R-2) zone. Map 2 - Vacant Land shows the location of all developable vacant land in the Mill City UGB. Table 9 summarizes the vacant buildable land by zoning district.

Table 9
Vacant Land by Zoning District

| Zoning Classification | Vacant Land | Constrained Land | Vacant Buildable | Total by Zoning Class |
|---------------------------|---------------|------------------|------------------|-----------------------|
| Single Family Residential | 32.91 | 1.04 | 31.87 | |
| Multi Family Residential | 22.33 | 1.69 | 20.64 | |
| Special Planned District | 11.22 | 1.05 | 10.17 | |
| Rural Residential | 47.84 | 3.25 | 44.59 | |
| Total Residential | 114.30 | 7.03 | 107.27 | 107.27 |
| Central Commercial | 3.98 | 0.01 | 3.97 | |
| Highway Commercial | 23.54 | 3.44 | 16.66 | |
| Total Commercial | 27.52 | 3.45 | 24.07 | 24.07 |
| Industrial | 0 | 0 | 0 | |
| Limited Industrial | 8.62 | .88 | 7.74 | |
| Heavy Industrial | 44.10 | 13.40 | 30.70 | |
| Total Industrial | 52.72 | 14.28 | 38.44 | 38.44 |
| Total Acreage | 194.54 | 24.76 | 169.78 | 169.78 |

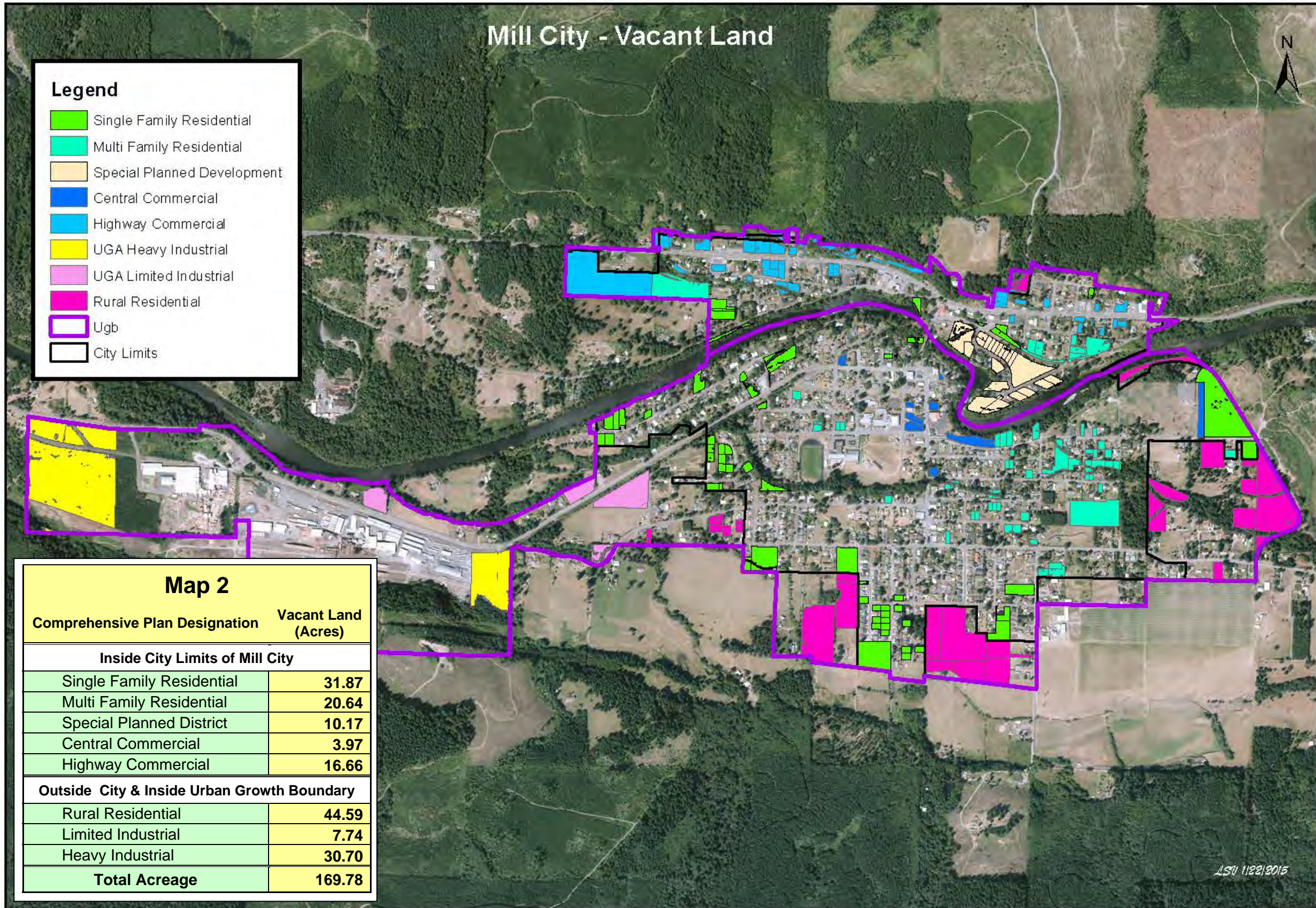
Mill City - Vacant Land

Legend

- Single Family Residential
- Multi Family Residential
- Special Planned Development
- Central Commercial
- Highway Commercial
- UGA Heavy Industrial
- UGA Limited Industrial
- Rural Residential
- Ugb
- City Limits

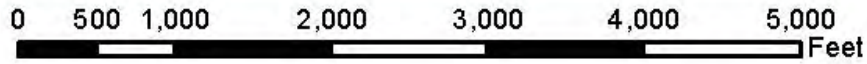
Map 2

| Comprehensive Plan Designation | Vacant Land (Acres) |
|--|---------------------|
| Inside City Limits of Mill City | |
| Single Family Residential | 31.87 |
| Multi Family Residential | 20.64 |
| Special Planned District | 10.17 |
| Central Commercial | 3.97 |
| Highway Commercial | 16.66 |
| Outside City & Inside Urban Growth Boundary | |
| Rural Residential | 44.59 |
| Limited Industrial | 7.74 |
| Heavy Industrial | 30.70 |
| Total Acreage | 169.78 |



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Map Data Sources: Linn and Marion Counties, January 2015



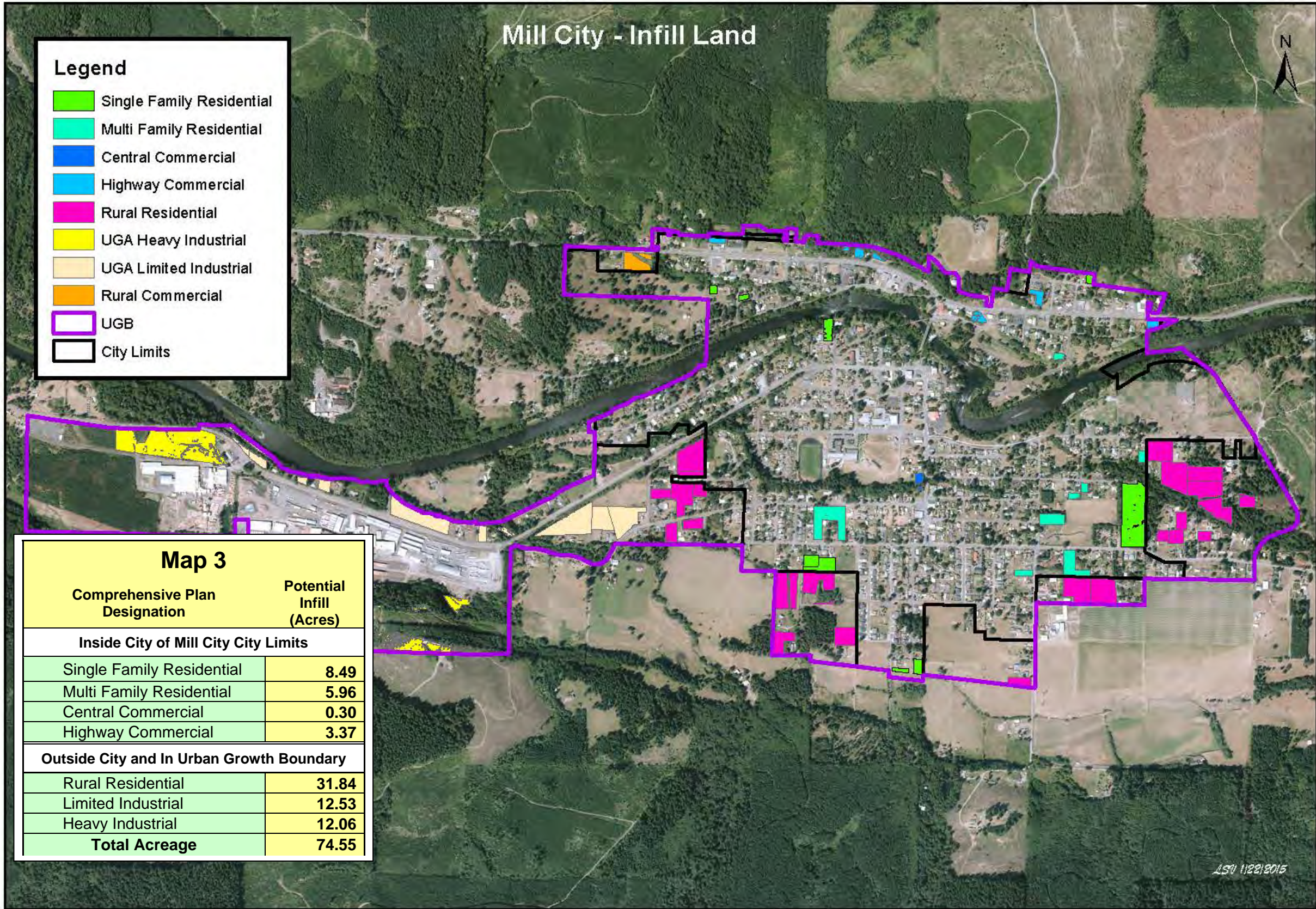
6.2 Infill Land

Land available for infill development, shown in Table 10, is defined as property that meets the size requirements to allow for additional development on the lot. The City considers residentially zoned parcels under ½-acre in size containing a dwelling unit to be fully developed, as allowed by OAR 660-0240-0050(2)(a). Partially developed residentially zoned parcels larger than ½ acre in size were identified as potential infill lots. For employment lands, potential infill areas include undeveloped portions of existing commercial and industrial parcels. Infill areas were plotted to avoid overlapping with constrained land.

Map 3 - Potential Infill Development shows the location of potential infill parcels in the Mill City UGB.

Table 10
Infill Land by Zoning District

| Zoning Classification | Infill Land Acres | Constrained Land | Infill Buildable | Total by Zoning Class |
|---------------------------|-------------------|------------------|------------------|-----------------------|
| Single Family Residential | 9.27 | .78 | 8.49 | |
| Multi Family Residential | 6.00 | .04 | 5.96 | |
| Special Planned District | 0 | 0 | 0 | |
| Rural Residential | 34.33 | 2.49 | 31.84 | |
| Total Residential | 49.60 | 3.31 | 46.29 | 46.29 |
| Central Commercial | 0.45 | 0.15 | .30 | |
| Highway Commercial | 4.39 | 1.02 | 3.37 | |
| Total Commercial | 4.84 | 1.17 | 3.67 | 3.67 |
| Industrial | 0 | 0 | 0 | |
| Limited Industrial | 14.35 | 1.82 | 12.53 | |
| Heavy Industrial | 38.39 | 26.33 | 12.06 | |
| Total Industrial | 52.74 | 28.15 | 24.59 | 24.59 |
| Total Acreage | 107.18 | 32.63 | 74.55 | 74.55 |

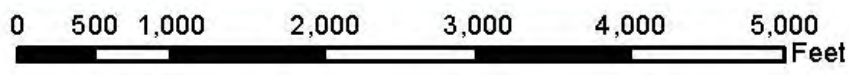


- Legend**
- Single Family Residential
 - Multi Family Residential
 - Central Commercial
 - Highway Commercial
 - Rural Residential
 - UGA Heavy Industrial
 - UGA Limited Industrial
 - Rural Commercial
 - UGB
 - City Limits

Map 3

| Comprehensive Plan Designation | Potential Infill (Acres) |
|--|--------------------------|
| Inside City of Mill City City Limits | |
| Single Family Residential | 8.49 |
| Multi Family Residential | 5.96 |
| Central Commercial | 0.30 |
| Highway Commercial | 3.37 |
| Outside City and In Urban Growth Boundary | |
| Rural Residential | 31.84 |
| Limited Industrial | 12.53 |
| Heavy Industrial | 12.06 |
| Total Acreage | 74.55 |

Map Data Sources: Linn and Marion Counties.
January 2015



6.3 Redevelopable Land

Redevelopable land is defined as property that has improvements, but the RMV of all built structures is less than 1/3 of the Real Market Land Value. A developer could demolish the existing structures and build new buildings to make more efficient or valuable use of the property. Table 11 shows there was 24.45 acres of redevelopable land inside the Mill City UGB in 2014.

Map 4 - Potential Redevelopable Land shows the parcels in Mill City that fit the criteria.

Table 11
Potential Redevelopable Land by Zoning District

| Zoning Classification | Redevelopable Land Acres | Constrained Land | Buildable Redevelopable | Total by Zoning Class |
|---------------------------|--------------------------|------------------|-------------------------|-----------------------|
| Single Family Residential | 5.06 | 0.61 | 4.45 | |
| Multi Family Residential | 6.32 | 0.32 | 6.00 | |
| Special Planned District | 0 | 0 | 0 | |
| Rural Residential | 7.04 | 1.12 | 5.92 | |
| Total Residential | 18.42 | 2.05 | 16.37 | 16.37 |
| Central Commercial | 2.60 | 0.15 | 2.45 | |
| Highway Commercial | 0 | 0 | 0 | |
| Total Commercial | 2.60 | 0.15 | 2.45 | 2.45 |
| Industrial | 0 | 0 | 0 | |
| Limited Industrial | 5.83 | 0.20 | 5.63 | |
| Heavy Industrial | 0 | 0 | 0 | |
| Total Industrial | 5.83 | 0.20 | 5.63 | 5.63 |
| Total Acreage | 26.85 | 2.40 | 24.45 | 24.45 |

Mill City - Potential Redevelopable Land

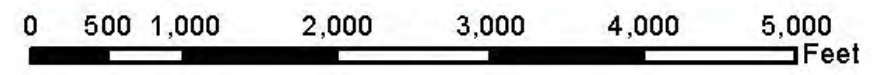


Legend

- Single Family Residential
- Multi Family Residential
- Central Commercial
- Rural Residential
- UGA Limited Industrial
- City_Limits
- UGB

| Map 4 | |
|--|-----------------------|
| Comprehensive Plan Designation | Redevelopable (Acres) |
| Inside City of Mill City City Limits | |
| Single Family Residential | 4.45 |
| Multi Family Residential | 6.00 |
| Central Commercial | 2.45 |
| Outside City and In Urban Growth Boundary | |
| Rural Residential | 5.92 |
| Limited Industrial | 5.63 |
| Total Acreage | 24.45 |

Map Data Sources: Linn and Marion Counties.
January 2105



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6.4 Gross Buildable Land

The sum of all the vacant, infill, and redevelopable land, also known as Gross Buildable Land, is the total of the individual parcels categorized by zoning district. These totals have removed constrained portions of a parcel that may be undevelopable due to the various constraints. Table 12 provides a summary of the Gross Buildable Lands inside the Mill City UGB. These parcels are included in Map 4.

Table 12
Gross Buildable Land by Zoning District

| Zoning | Vacant Land (Acres) | Infill Land (Acres) | Redevelopable Land (Acres) | Gross Buildable Land (Acres) |
|---------------------------|---------------------|---------------------|----------------------------|------------------------------|
| Single Family Residential | 31.87 | 8.49 | 4.45 | 44.81 |
| Multi Family Residential | 20.64 | 5.96 | 6.00 | 32.60 |
| Special Planned District | 10.17 | 0 | 0 | 10.17 |
| Rural Residential | 44.59 | 31.84 | 5.92 | 82.35 |
| Total Residential | 107.27 | 46.29 | 16.37 | 169.93 |
| Central Commercial | 3.97 | 0.30 | 2.45 | 6.72 |
| Highway Commercial | 20.10 | 3.37 | 0 | 23.47 |
| Total Commercial | 24.07 | 3.67 | 2.45 | 30.19 |
| Industrial | 0 | 0 | 0 | 0 |
| Limited Industrial | 7.74 | 12.53 | 5.63 | 25.90 |
| Heavy Industrial | 30.70 | 12.06 | 0 | 42.76 |
| Total Industrial | 38.44 | 24.59 | 5.63 | 68.66 |
| Total Acreage | 169.78 | 74.55 | 24.45 | 268.78 |

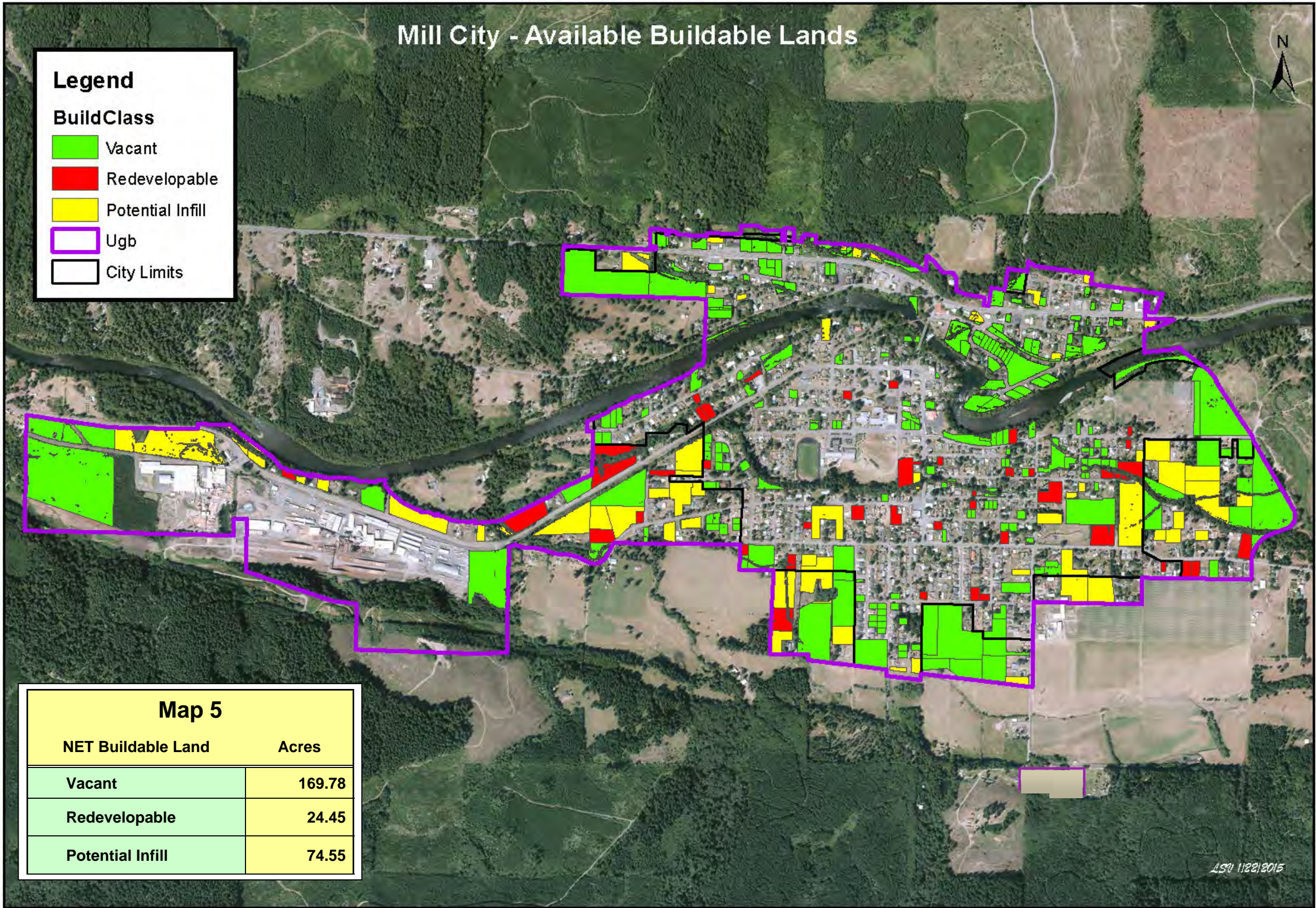
Mill City - Available Buildable Lands



Legend

BuildClass

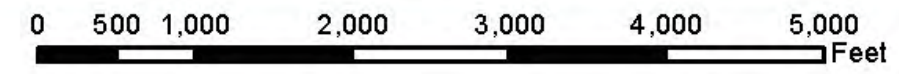
- Vacant
- Redevelopable
- Potential Infill
- Ugb
- City Limits



| Map 5 | |
|--------------------|--------|
| NET Buildable Land | Acres |
| Vacant | 169.78 |
| Redevelopable | 24.45 |
| Potential Infill | 74.55 |

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Map Data Sources: Linn and Marion Counties.
January 2015



7. Analysis of Existing Buildable Lands

7.1 Gross Buildable Land

The gross buildable acres are also derived by subtracting already developed acreage and constrained land from the gross land area totals in each zone. These totals are shown in Table 13.

Table 13
Gross Buildable Land by Zoning District

| Zoning | Gross Acreage | Developed Acreage | Constrained Land on Vacant, Infill & Redevelopable | Gross Buildable Land |
|-----------------------------|---------------|-------------------|--|----------------------|
| Single Family Residential | 145.06 | 97.82 | 2.43 | 44.81 |
| Multi Family Residential | 104.05 | 69.40 | 2.05 | 32.60 |
| Special Planned District | 14.66 | 3.44 | 1.05 | 10.17 |
| Rural Residential | 131.25 | 42.04 | 6.86 | 82.35 |
| Subtotal Residential | | | | 169.93 |
| Central Commercial | 24.25 | 17.22 | 0.31 | 6.72 |
| Highway Commercial | 59.19 | 31.26 | 4.46 | 23.47 |
| Subtotal Commercial | | | | 30.19 |
| Industrial | 0 | 0 | 0 | 0 |
| Limited Industrial | 41.87 | 13.07 | 2.90 | 25.90 |
| Heavy Industrial | 164.69 | 82.20 | 39.73 | 42.76 |
| Subtotal Industrial | | | | 68.66 |
| Public | 72.58 | 72.58 | 0 | 0 |
| Total Acreage | 757.60 | 429.03 | 59.79 | 268.78 |

7.2 Public Set-Aside Land

The City of Mill City contains a total of 268 acres of gross buildable land. The Mill City Subdivision and Zoning Codes, Title 16 and Title 17 of the Mill City Municipal Code (MCMC), require new development to provide land for needed public uses and facilities. A developer must dedicate land to the public for required streets, parks, schools, public utilities and private utilities. Under Section 16.40.070 of the subdivision code, the city is restricted from requiring a subdivision to set aside more than 40% of the land for public uses. Depending on the size of the development and its location, some parcels might need to have more land set-aside for public uses than others.

For the purposes of this Buildable Lands Analysis, the City deems it appropriate to set aside 25% of the gross buildable acres for public use. This follows Safe Harbor methodology of OAR 660.024.0040 (10), which states “. . . a local government may estimate that the 20-year land needs for streets and roads, parks and school facilities will together require an additional amount of land equal to 25 percent of the net buildable acres. . . .”

These public set-aside lands are not considered buildable because they will be needed for future public uses and will not be used for residential, commercial, or industrial use. The City will subtract the 25% public set-aside in order to arrive at an amount of needed buildable lands, referred to as “NET Buildable Acres”.

7.3 NET Buildable Acres

Mill City contains a total of 201 acres of NET Buildable Land that is vacant, redevelopable, or potential infill and is not subject to geographical constraints or needed for public purposes. The breakdown by zone can be seen in Table 14.

Table 14
NET Buildable Land by Zoning District

| Zoning | Gross Buildable Acres | 25% Public Need Set-Aside | NET Buildable Acres |
|---------------------------|-----------------------|---------------------------|---------------------|
| Single Family Residential | 44.81 | 11.20 | 33.61 |
| Multi Family Residential | 32.60 | 8.15 | 24.45 |
| Special Planned District | 10.17 | 2.54 | 7.63 |
| Rural Residential | 82.35 | 20.59 | 61.76 |
| Subtotal Residential | 169.93 | 42.48 | 127.45 |
| Central Commercial | 6.72 | 1.68 | 5.04 |
| Highway Commercial | 23.47 | 5.87 | 17.60 |
| Subtotal Commercial | 30.19 | 7.55 | 22.64 |
| Industrial | 0 | 0 | 0 |
| Limited Industrial | 25.90 | 6.48 | 19.43 |
| Heavy Industrial | 42.76 | 10.69 | 32.07 |
| Subtotal Industrial | 68.66 | 17.17 | 51.50 |
| Total Acreage | 268.78 | 67.20 | 201.59 |

The City concludes the 268 acres of gross buildable land inside the Mill City UGB are sufficient to provide land for needed public facilities and parks while still leaving 201 acres of net buildable land for future residential, commercial and industrial uses.

8. Residential Land

8.1 Existing Housing Stock

In March 2010, city staff conducted a 100% count of the housing stock within the Mill City UGB. In 2010, Mill City had a total of 797 housing units, divided into stick-built single family dwellings, manufactured/mobile homes, duplexes, and apartments. The total housing unit mix is shown in Table 15 and the locations of the housing units are shown on Map 6. Single Family Residential and Manufactured Homes are both considered Single Family Dwellings, while Duplexes and Apartments are combined into Multi Family Dwellings. In 2010 Mill City's residential housing mix was 89% low density and 11% medium density.

Table 15
Housing Stock in the Mill City UGB

| Housing Type | Total Units | Percent of Total Units |
|-----------------------------------|-------------|------------------------|
| Single Family Residential | 615 | 77% |
| Manufactured/Mobile Home | 95 | 12% |
| SFR & MH Total | 710 | 89% |
| Duplex | 42 | 5% |
| Apartments | 45 | 6% |
| Multi-Family Total | 87 | 11% |
| TOTAL of All Housing Stock | 797 | 100% |

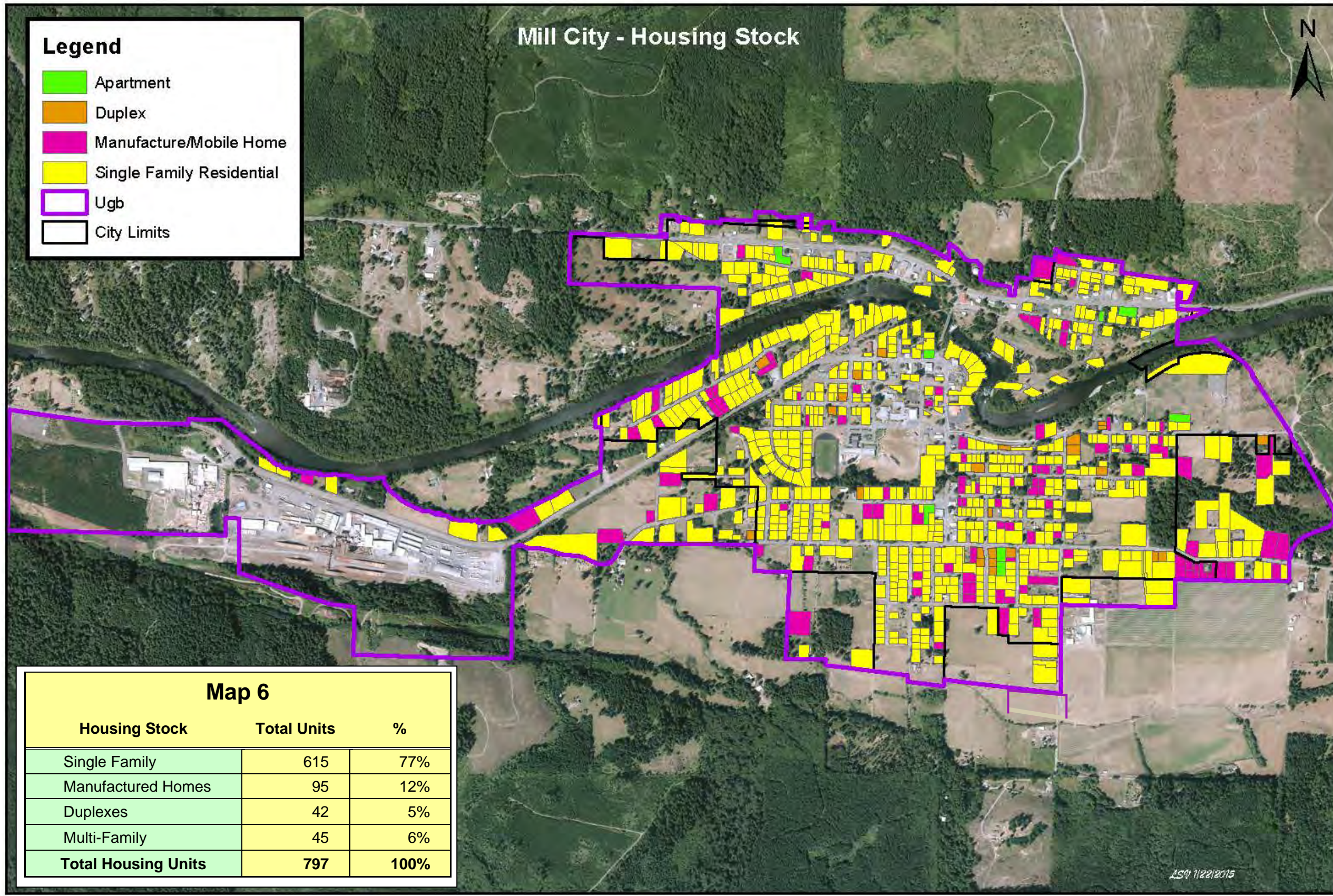
Housing needs were calculated using the forecast population for 2035, average household size and vacancy rates. This data is shown in Table 16.

The 2010 Census showed an average household size in Mill City of 2.72 persons per occupied housing unit. This rate is slightly higher than the Marion County and Linn County average household sizes of 2.70 and 2.55 persons per household.¹² Mill City's 8.2% vacancy rate is also higher than the 2010 Marion County vacancy rate of 6.6% and Linn County vacancy rate of 7.4%. These numbers are consistent with the PSU Population Research Center's findings that Santiam Canyon communities will have slightly smaller household sizes and higher vacancy rates than other cities in Marion County.¹³

The PSU study concluded household size will remain constant in Marion County over the next 20 years for several reasons, including the large household sizes in communities in North Marion County. PSU projected Mill City's household size may decrease slightly from 2.72 to 2.65 persons

¹² The 2010 Census shows Marion County's average household size was 2.70 persons per household and Linn County's average household size was 2.55 persons per household.

¹³ PSU's "Population Forecasts for Marion County, its Cities and Unincorporated Areas 2010-2030, Revision 1", September 2009, by the Population Research Center, College of Urban and Public Affairs, Portland State University notes the Marion County has maintained a consistent occupancy rate of 94% and vacancy rate of 6% during the 1990's and 2000's. However, the study states: "Cities situated in the Santiam Pass area (Idanha, Detroit, Gates, and Mill City) have the lowest occupancy rates because of the presence of vacation homes and seasonal housing," page 20. Appendix 3, page 67, estimates the vacancy rate in Mill City will be 9.3%.



Legend

- Apartment
- Duplex
- Manufacture/Mobile Home
- Single Family Residential
- Ugb
- City Limits

Map 6

| Housing Stock | Total Units | % |
|---------------------|-------------|------|
| Single Family | 615 | 77% |
| Manufactured Homes | 95 | 12% |
| Duplexes | 42 | 5% |
| Multi-Family | 45 | 6% |
| Total Housing Units | 797 | 100% |

Map Data Sources: Linn and Marion Counties.
January 2015



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per household due to several factors including decreasing school enrollments and the aging of the population.¹⁴

Based on the population trends, an additional 272 housing units will be needed by the year 2035.

Table 16
Housing Needs Forecast to 2035

| Housing Needs Forecast | |
|--|------------|
| 2035 Population Forecast | 2,461 |
| Projected Average Household Size | 2.65 |
| 2035 Total Needed Housing Units (occupied) | 929 |
| 2035 Vacant units @ 9.3% | 95 |
| 2035 Total Housing Units | 1024 |
| 2013 Existing Housing Units ¹⁵ | 752 |
| 2014-2035 FUTURE NEED HOUSING UNITS | 272 |

The forecast population growth of 591 persons between 2013 and 2035 can be accommodated by an additional 272 housing units. This allows for an average household size of 2.65 persons and a vacancy rate of 9.3%.

8.2 Housing Mix

From 1990 to 2010, the housing mix of new housing construction in Mill City was 81% single-family dwellings and 19% multi-family structures. This was consistent with the 80/20 split for new housing starts throughout Marion County in the period 2000-2007.¹⁶ Table 17 shows the housing mix built from 1990 through 2010.

Table 17
Recent Housing Mix by Housing Type (1990-2010)

| Housing Type | Total Units | % of Total Units |
|-------------------------------------|-------------|------------------|
| Stick-built, Single Family Detached | 69 | 45% |
| Manufactured Home | 55 | 36% |
| Duplex | 22 | 14% |
| Apartments | 8 | 5% |
| Total | 154 | 100% |

¹⁴ Ibid, Appendix 3, page 67, estimates Mill City's household size will be 2.65 pph in 2030.

¹⁵ The 2010 Census shows 742 housing units inside the City of Mill City with 681 occupied and 61 vacant (8.2%). Based on population growth and building permits issued since 2010, the City estimates 752 housing units inside the city limits in July 2013.

¹⁶ PSU's "Population Forecasts for Marion County, its Cities and Unincorporated Areas 2010-2030, Revision 1", September 2009, by the Population Research Center, College of Urban and Public Affairs, Portland State University. Marion County housing starts from 2000-2007 were 80% single family homes, page 19.

Using the safe harbor approach allowed in OAR 660-024-0040 (8)(i) for the future housing mix, the City has estimated a housing mix of 73% single family homes and 27% multi-family dwelling units for the 20 year planning period from 2015 to 2035.

Table 18
Safe Harbor Housing Mix

| Housing Type | Existing Share of Developed Housing Units ¹⁷ | % Added per Safe Harbor ¹⁸ | Safe Harbor Mix |
|------------------------|---|---------------------------------------|-----------------|
| SFR Homes & MH on Lots | 89% | -15% | 74% |
| Duplex | 5% | +10% | 15% |
| Apartments | 6% | +5% | 11% |
| TOTAL | 100% | | 100% |

Table 19
Projected Housing Units by Housing Type (2015-2035)

| Housing Type | Housing Mix Forecast | Total Units |
|-----------------------------|----------------------|-------------|
| SFR (Stick-built) dwellings | 65% | 176 |
| Manufactured Homes | 9% | 26 |
| Single Family Homes | 74% | 202 |
| Medium Density: Duplex | 15% | 40 |
| Medium Density: Apartment | 11% | 30 |
| Total | 100% | 272 |

The needed housing units must be distributed between housing types in each of the residential zones. Table 18 projects how the 272 dwelling units to be built by 2035 will be divided.

8.3 Assumed Densities

The City of Mill City has minimum lot and building sizes for various housing types, described in City Code Section 17 (Zoning) 17.12.040 (R1 Zone) and 17.16.040 (R2 Zone). The Single Family residential zone (R-1) permits up to 6 units per acre and a minimum lot size of 7,000 sq. ft. The City assumes average lot sizes will range between 7,000 sq. ft. and 10,000 sq. ft. per lot with an average density of 5 units per acre. The Multi Family residential zone (R-2) permits single family dwellings on individual lots with a minimum lot size of 5,000 sq. ft., 10 Duplex units per acre and 13 Apartments per acre.

These figures are used to calculate the future residential land demand.

¹⁷ Existing housing mix percentages are based on the City's 2010 inventory. See Table 15.

¹⁸ OAR 660-024-0040 (8)(i)

- Stick Built, Single Family Detached: 5 units per acre
- Manufactured Home: 6 units per acre
- Duplexes: 10 units per acre
- Apartments: 13 units per acre

8.4 Residential Land Needs

Mill City needs 44.13 acres buildable residential land to accommodate projected growth up to 2035. The total acreage of residential land needed to construct 272 new housing units is shown in Table 19.

The necessary acreage was calculated by dividing the projected number of new units by its assumed densities. For example, there are 25 acres of land needed to build 125 homes in the Single Family Residential (R-1) zone. *(E.g. 25.00 acres x 5 units/acre = 125 homes).*

Table 20
Total Acres Needed by Future Housing Type

| Housing Type | SFR (Acres) | MFR (Acres) | Total Acres | Assumed Density Units/Acre | Housing Units |
|------------------------------|--------------|--------------|--------------|----------------------------|---------------|
| Single Family Homes incl. MH | 25.00 | | 25.00 | 5 | 125 |
| Single Family Homes incl. MH | | 12.83 | 12.83 | 6 | 77 |
| Duplex | 0 | 4.00 | 4.00 | 10 | 40 |
| Apartment | 0 | 2.31 | 2.31 | 13 | 30 |
| Total | 25.00 | 19.13 | 44.13 | | 272 |

8.4.1 Maximum Number of Dwelling Units which may be accommodated on Buildable Residential land inside the City

There are 127 acres of buildable land in the four residential zones within the Mill City UGB, as shown on Table 14 on page 25. Of this amount 65.69 acres are inside the city limits and 61.76 acres are outside the city limits and inside the UGB. Table 20 below shows existing buildable residential land inside 2014 city limits can accommodate up to 382 dwelling units if developed at the assumed density.

Table 20 estimates the dwelling units which could be built if all of the buildable residentially zoned lands inside the City limits in 2015 were developed at the assumed densities while providing the safe harbor ratio of 74%/26% single family homes to multi-family dwellings. The methodology assumes development in the SFR zone will occur in traditional subdivisions at 5 units per acre, the existing subdivision lots in the SPD zone will be built out and the R-2 zoned land will be partially developed as traditional subdivisions and partially as higher density multi-family residential uses.

In addition there is another 45 acres of buildable residentially zoned land in the Rural Residential (RR) zone outside the city limits in the UGB, which may be developed at urban densities when annexed into the City.

Table 21
Potential # of Dwelling Units Allowed using the Assumed Densities

| Housing Type | Buildable Acres | Assumed Density Units/Acre | Potential Dwelling Units | % |
|---------------------------------------|-----------------|----------------------------|--------------------------|-------------|
| Single Family Homes & MH | | | | |
| SFR Zone | 33.61 | 5 | 168 | |
| MFR Zone | 15.45 | 6 | 92 | |
| SPD Zone | 7.63 | 3.5 | 26 | |
| Total SFR & MH | 58.24 | | 286 | 74% |
| Multi-Family Dwellings | | | | |
| Duplexes | 5.00 | 10 | 50 | |
| Apartments & MF complexes | 4.00 | 13 | 52 | |
| Total MF Dwellings | 7.45 | | 102 | 26% |
| Total Potential Dwelling Units | 65.69 | | 388 | 100% |

Although it unlikely that future residential development will occur at the maximum density allowed, Table 20 shows the City can accommodate the projected housing needs through 2035 with the available buildable land inside the city limits and the UGB.

8.4.2 Conclusion - Residential Land Need versus Supply

Table 22
NET Buildable Land by Zoning District

| Zoning | Gross Buildable Acres | 25% Public Need Set-Aside | NET Buildable Acres |
|---------------------------|-----------------------|---------------------------|---------------------|
| Single Family Residential | 44.81 | 11.20 | 33.61 |
| Multi Family Residential | 32.60 | 8.15 | 24.45 |
| Special Planned District | 10.17 | 2.54 | 7.63 |
| Rural Residential | 82.35 | 20.59 | 61.76 |
| Total Residential | 169.93 | 42.48 | 127.45 |

The above analysis shows there is a need for 44.13 acres of buildable residential land and a supply of 127 acres in the UGB to meet the need.

Table 23
Buildable Residential Land

| Buildable Residential Land Available in 2014 (Acres) | Buildable Residential Land Needed by 2035 (Acres) | Surplus / (Deficit) Available (Acres) |
|---|--|--|
| 127.45 | 44.13 | 83.32 |

The City concludes there is an adequate supply of buildable residential land inside the UGB to serve the City needs through the year 2035.

9. Mill City and the North Santiam Canyon Economy

Chapter 6 “Economy” of the 2015 Mill City Comprehensive Update – Part 1 was updated to address Goal 9 planning requirements. The comprehensive plan update coupled with the Employment Land sections of this buildable lands analysis constitutes the economic opportunity analysis in compliance with OAR 660-0015. It includes (1) a review of local, regional, state and national trends that impact the local economy, (2) an estimate of anticipated employment growth by job sector, (3) an estimate of employment land needs, (4) an inventory and maps of available industrial and commercial sites available in the Mill City UGB area and (5) an assessment of community economic potential.

The City coordinated the preparation of the 2015 Mill City Comprehensive Plan Update with DLCD staff, the Oregon Employment Department and Marion County officials. The City utilized data from a variety of sources including the 2010 Census, 2014 employment data from the State of Oregon and a 2014 Economic Opportunity Study update for the North Santiam Canyon prepared by the Mid-Willamette Valley Council of Governments for Marion County.

The plan update complies with OAR 660-009-0020 (Employment and Industrial Development Policies) because it includes updated economic development policies for the City of Mill City that are consistent with the City’s assessment of local economic development potential and existing economic development plans and policies for rural communities within the North Santiam Canyon.

The proposed policies in Chapter 6 recognize the economic constraints caused by the decline of the timber industry in the North Santiam Canyon during the past thirty years, the proximity and accessibility of Mill City to the mid-Willamette Valley via Hwy 22 and the potential opportunities for development of expanded recreation/hospitality based businesses and industries in the North Santiam Canyon.

9.1 Place of Employment

Within the City of Mill City, the 2012 American Community Survey showed there were 1280 persons aged 16 or over. Of this group, 56.9%, or 671 persons were in the labor force, with 567 employed either full time or part time. Table 23 below provides a summary of the changing occupations for Mill City’s population from 1990 to 2012. Over the 20+ year time frame, there has been an increase in the number of employed workers in education, health care services, public administration, and agriculture/forestry and fisheries job sectors. There were fewer workers employed in manufacturing and retail trade industries.

In 2012, the American Community Survey shows the following allocation of employed Mill City residents by job sectors:

| | |
|--|-----|
| Manufacturing and Industrial job sectors | 41% |
| Government | 14% |
| All other job sectors | 45% |

The percentages are similar to those found throughout the North Santiam Canyon. The North Santiam Canyon has a higher percentage of manufacturing and industrial sector jobs than Linn or

Marion counties. In 2012, American Community Survey data showed manufacturing, natural resource industries, construction, transportation, warehousing and utilities job sectors accounted for 60% of the jobs in the North Santiam Canyon.

Table 24
Occupations of Employed Mill City Residents

| Industry | 1990 | 2000 | 2012 | % change 1990 to 2012 |
|---|------------|------------|------------|--------------------------|
| Agriculture, forestry, and fisheries and mining | 39 | 34 | 67 | 72% |
| Construction | 13 | 54 | 7 | -46% |
| Manufacturing | 212 | 143 | 142 | -33% |
| Wholesale trade | 7 | 16 | 0 | -100% |
| Retail trade | 65 | 41 | 34 | -48% |
| Transportation, warehousing & utilities | 15 | 19 | 21 | 40% |
| Communications and information services | 20 | 19 | 5 | -75% |
| Finance, insurance, and real estate | 17 | 19 | 12 | -29% |
| Professional and related services | 16 | 19 | 22 | 38% |
| Educational services & health care | 62 | 129 | 124 | 100% |
| Entertainment and recreation services | 6 | 67 | 22 | 267% |
| Personal and other services | 11 | 18 | 29 | 164% |
| Government / Public administration | 52 | 48 | 82 | 58% |
| Total | 535 | 626 | 567 | 6% |

Sources: U.S. Census Bureau: 1990 Census, 2000 Census and the 2012 American Community Survey Selected Economic Characteristics.

A majority of Mill City’s residents do not work within the city limits. That percentage has been declining since the 1990 census. In 1990, 30.8% of the city’s employed labor force, worked within the city limits. In 2012, the labor force had grown by 30 workers, but only 135 residents (27 less than in 1990) worked within the city. The totals are summarized in Table 24.

Table 25
Mill City Resident Place of Employment

| Place of Employment | 1990 | 2000 | 2012 |
|--|------------|------------|------------|
| Worked within Mill City | 162 | 165 | 135 |
| Worked outside Mill City | 364 | 441 | 421 |
| Total Mill City Employed Population | 526 | 606 | 556 |
| Percent employed within Mill City | 30.8% | 27.2% | 24.3% |

Sources: U. S. Census Bureau: 1990 Census, 2000 Census and the 2012 American Community Survey Selected Economic Characteristics. Note: The 2012 ACS number for employed residents by place of employment was 556 versus the 567 number of employed residents listed by occupation.

The jobs-to-population ratio provides an indicator of the strength of the local economy and whether or not the community is an employment center. Table 25 shows Mill City has a significantly lower jobs-to-population ratio than is found in Linn County, Marion County and the State of Oregon.

Table 26
Jobs to Population Ratio - 2013

| | July 2013 Population | Total Jobs | Jobs to Population Ratio |
|------------------|-------------------------|------------|-----------------------------|
| Mill City | 1,870 | 392 | 0.21 |
| Linn County | 118,665 | 40,673 | 0.34 |
| Marion County | 322,880 | 134,997 | 0.42 |
| State of Oregon | 3,919,020 | 1,679,377 | 0.43 |

Source: Oregon Employment Department, 2012 Covered Employment

9.2 Estimated Job Growth within the City of Mill City

The U.S. Census Bureau and Oregon Employment Department provided employment data for the City of Mill City for the years 1990 through 2012. The number of employed residents rose in the 1990s and then declined after the Great Recession of 2008-2010. Mill City's percentage share of total workers in Linn and Marion counties decreased slightly to 0.35% to 0.32% by 2012.

In order to estimate the future number of employed residents, Mill City has elected to use a safe harbor method described in OAR 660.024.0050(9)(a)(A). Mill City estimates the number of jobs in the municipality will grow at the same rate as employment projections for the period 2012 to 2022 prepared by the Oregon Employment Department for Region 3 (Linn/Benton/Lincoln counties) and Region 4 (Mid-Willamette Valley – Marion, Polk and Yamhill counties).

Total covered employment for the two regions is estimated to increase from 280,070 employed workers in 2012 to 317,440 in 2022, an average annual growth rate of 1.26%. Using the safe harbor projection, Mill City employment will increase from 567 persons employed in 2012 to 642 in 2022 and 756 by the end of the 20-year planning period in 2035. Employment growth for Linn County, Marion County and Mill City between 1990 and 2035 is shown in Table 26.¹⁹

¹⁹ OAR 660-024-0040(9) The following safe harbors may be applied by a local government to determine its employment needs for purposes of a UGB amendment under this rule, Goal 9, OAR chapter 660, division 9, Goal 14 and, if applicable, ORS 197.296.

- (a) A local government may estimate that the current number of jobs in the urban area will grow during the 20-year planning period at a rate equal to either: (A) The county or regional job growth rate provided in the most recent forecast published by the Oregon Employment Department; or (B) The population growth rate for the urban area in the adopted 20-year coordinated population forecast specified in OAR 660-024-0030.

Table 27
Employed Residents within the City of Mill City

| Area | 1990 | 2000 | 2008 | 2012 | 2022 (1.26% growth rate) | 2035 (1.26% growth rate) |
|--|---------|---------|---------|---------|--------------------------------|--------------------------------|
| Employed Mill City Residents | 526 | 606 | 549 | 567 | 642 | 756 |
| Linn and Marion County Total Employment | 141,246 | 172,979 | 184,691 | 171,780 | 193,019 | 227,045 |
| Mill City % of Total Linn and Marion County Employment | 0.37% | 0.35% | 0.32% | 0.33% | 0.33% | 0.33% |

Sources: U.S. Census Bureau for 1990 Census and 2000 Census. U.S. Census Bureau 2012 American Community Survey Selected Economic Characteristics for Mill City employment in 2008 and 2012. Oregon Employment Department, Oregon Labor Market Information System for County employment in 2008 and 2012 and projected employment growth rate for Regions 3 and 4 for the period from 2012 to 2022.

In 2012, the Oregon Employment Department estimated the number of payroll jobs in the city to be 392. Future employment within the city can be estimated by calculating the proportion of jobs to employed residents. In 2012 there were 0.69 jobs in the city for every employed resident. From this figure and trending to 2035, employment opportunities within the city may increase to 529 jobs (for 756 employed residents). This represents 137 new jobs between 2012 and 2035, and an annual employment growth rate of 1.0%, just slightly less than the projected population growth rate. This trend is shown in Table 27. The 137 new jobs equates to a 0.23 jobs/population ratio, which is consistent with Mill City's historic share.

Table 28
Future Employment within the City of Mill City

| Area | 2012 | 2022 | 2035 | Estimated Job Growth |
|------------------------------|------|------|------|----------------------|
| Mill City Payroll Jobs | 392 | 449 | 529 | 137 |
| Mill City Employed Residents | 567 | 642 | 756 | 191 |
| Jobs per Employed Resident | 0.69 | 0.70 | 0.70 | 0.70 |

As noted above, the Oregon Employment Department data shows that in 2012 approximately 60% of the jobs within the North Santiam Canyon were industrial sector jobs, and the remaining 40% were in government, education, professional, retail and service sectors.

Using a trending forecast that assumes 60% of the jobs in the North Santiam Canyon (i.e. Mill City) will remain in industrial sectors, then 82 (60%) of the 137 new jobs created in Mill City will be industrial sector jobs and the other 55 new jobs will be in other job sectors. However, this assumption is not consistent with regional employment projections prepared by the Oregon Employment Department and comments from OED workforce analysts.

The City believes industrial sector job growth will be 30%-40% of overall job growth and other employment sectors will accommodate the balance of the City's job growth.²⁰ A 40% share is consistent with the occupations of employed Mill City residents. In 2012, 42% of employed Mill City residents were employed in industrial sector jobs.

9.3 Economic Growth Opportunities

As indicated above Mill City estimates there will be 137 new jobs will be added to the job base in Mill City by the year 2035.

Historically, Mill City and the North Santiam Canyon has relied on manufacturing, natural resources, recreation and leisure services and local government as its major employers. The Oregon Employment Department has prepared a 10-year employment projection (2012-2022) for Regions 3 and 4 that includes Linn County and Marion County. Despite significant job growth anticipated in both regions, OED staff expects employment growth in the North Santiam Canyon will be limited to the leisure/hospitality service sector, some jobs in construction and few or no manufacturing sector job growth. There is limited potential for the addition of retail or wholesale businesses because of the small population of Mill City and restricted trade area, retail sales leakage to larger cities and the increased use of Internet for direct sales. These trends mean the small communities in the North Santiam Canyon will face challenges in adding employment during the next 10 years.²¹

The 10-year projection identifies leisure and recreation services job sector is expected to provide opportunities for future job growth for the North Santiam Canyon. There is also potential for local businesses that provide direct personal services for residents and/or fill specific market niches. Therefore, the City of Mill City anticipates employment growth will occur primarily in the government/education, health care and commercial businesses in the retail, recreation/hospitality, professional and service sectors and be located along Hwy 22, Wall St, or S. 1st Ave or in small home based business.

The City and other agencies have identified the following opportunities for economic growth in Mill City over the 20-year planning period from 2015 to 2035.

Industrial and Manufacturing

Industrial sector job growth in the North Santiam Canyon is expected to be minimal, despite the significant job growth projected for Linn and Marion counties. New manufacturing jobs in the City may be dependent on the ability of Mill City's two major employers to add jobs and new small manufacturing businesses where owners locate in the Mill City for small town quality of life reasons. Job growth in the Salem metropolitan area will mean Mill City residents will have employment opportunities, but must commute to work.

²⁰ Section 9.3 summarizes information, findings and conclusions on economic trends and projections for economic growth in Mill City and the North Santiam Canyon from the *2015 Mill City Comprehensive Plan Update*, Chapter 6- "Economy".

²¹ Interview with Will Summers, Workforce Analyst, Albany office of the Oregon Employment Department. September 4, 2014.

Mill City has 51 acres of buildable land designated for industrial use in the Mill City UGB. Existing industrial uses may be expanded under Linn County development regulations but vacant industrial sites are not shovel ready sites because they are not served by City water and sewer services. If the City wishes to attract or accommodate new industries it will need to work with the NSCEDC and state economic development agencies to finance and extend infrastructure improvements on Lyons-Mill City Drive to the available industrially zoned land.

Recreation and Tourism

There is significant potential to build a tourism economy in the North Santiam Canyon. Mill City has assets it can capitalize on to capture a share of this potential tourist economy:

- Coordinated Marketing/Tourism Promotions: The NSCEDC or a regional consortium can develop a coordinated marketing strategy and program for the North Santiam Canyon as a year-round recreational destination.
- Cultural Tourism: The city has a unique opportunity to create an historical / cultural destination point on Wall Street, just off Hwy 22. The Canyon Life Museum, recently renovated bank building, historic railroad bridge and the Mill City Falls Park can create a destination point for visitors traveling on Hwy 22. This area can be developed as a unique public gathering place and an important community focal point. There is potential for redevelopment of two of Mill City's early 20th century structures on Wall Street.
- Recreational Attractions of the North Santiam River: In 2001 an Oregon Downtown Development Association resource team members advised the community to take advantage of the natural beauty of the river and community setting. *The North Santiam River is key to Mill City's potential as a visitor destination.*²² The existing kayak business can be enhanced by a cluster of other tourist oriented businesses such as a restaurant, micro-brewery or similar establishments.

Small Business Sector Growth

Small business growth is actively encouraged and supported by the North Santiam Canyon Economic Development Corporation's GROW EDC program. Business training programs will mean small storefront and home-based business growth will be a part of an expanding local economy. GROW EDC staff believes there are opportunities for job creation in specialty forest products, Internet dependent businesses and recreation/leisure services.

- Commercial Redevelopment and Revitalization: The City concludes there are opportunities to strengthen the City's two commercial districts: Hwy 22 corridor and the older central commercial district. The Hwy 22 commercial corridor can upgrade and expand its hospitality/traveler oriented services, as described above. The central commercial district can continue to develop as a mixed use area.

²² Mill City Downtown Revitalization Team - 2001 Report, the Oregon Downtown Development Association, page 23.

- Hospitality and Traveler Oriented Services on Hwy 22: There is potential to expand existing and add new businesses along Hwy 22 in order to enhance Mill City's role as business/service center and a stopping place for travelers going to/from recreation sites and Central Oregon.

Education and Government

Mill City will continue its role as an education and government center with community gathering places, public spaces and parks near the North Santiam River. With the move of elementary school students to Mill City in 2013 to utilize the two school campuses for all K-12 students and the move of the Oregon Connections Academy programs to Mill City in 2015, there are opportunities for adding jobs in this sector.

Employment Land Need Projections

Section 10 provides employment land need projections. Section 10.2 "Commercial Land Need", Section 10.3 "Industrial Land Need" and Section 10.4 "Public Land Need" forecast the acreage needed to accommodate Mill City's employment growth through the year 2035.

10. Employment Lands

10.1 Existing Employment Lands

The City of Mill City has designated two plan designations in the Comprehensive Plan as employment lands: Commercial and Industrial. The City and Linn County have five zoning districts for employment use inside the UGB:

City of Mill City Zoning Districts:

| | | |
|--------------------|------|----------------------------------|
| Central Commercial | (CC) | Old downtown commercial area |
| Highway Commercial | (CH) | Commercial corridor along Hwy 22 |
| Industrial | (I) | Industrial zone inside the city |

Linn County Zoning Districts:

| | | |
|--------------------|----------|---|
| Limited Industrial | (UGA-LI) | Limited light industrial uses near Lyons-Mill City Drive |
| Heavy Industrial | (UGA-HI) | Heavy industrial uses near Lyons-Mill City Drive at the west end of the UGB |

Table 29
Employment Land Acreage in Mill City UGB

| Zoning | Developed | Constrained Land (Unbuildable) | Buildable Land | Total Acres |
|----------------------------------|---------------|--------------------------------|----------------|---------------|
| <i>City of Mill City</i> | | | | |
| Central Commercial | 17.22 | 0.31 | 6.72 | 24.25 |
| Highway Commercial ²³ | 31.26 | 4.46 | 23.47 | 59.19 |
| Total Commercial | 48.48 | 5.71 | 30.19 | 83.44 |
| <i>UGB – Linn County</i> | | | | |
| UGA – Limited Industrial | 13.07 | 2.90 | 25.90 | 41.87 |
| UGA – Heavy Industrial | 82.20 | 39.73 | 42.76 | 164.69 |
| Total Industrial | 95.27 | 42.63 | 68.66 | 206.56 |
| Total Employment Lands | 143.75 | 47.40 | 98.85 | 290.00 |

Source: Linn County GIS January 2015 data

²³ Highway Commercial totals includes 53.35 acres inside the city limits and another 5.84 acres in Marion County’s Urban Transition zone that is designated Commercial on the Mill City Comprehensive plan map.

10.2 Commercial Land Needs

The City of Mill City has approximately 83 acres of land zoned for commercial use. Table 29 shows 18 acres were committed to commercial uses in 2014. There are 24 acres of vacant land zoned for commercial uses in the Central Commercial (CC) and Highway Commercial (CH) zones. The balance of land in Mill City's commercial zones is in residential, public, non-profit/church use or is unavailable for development due to steep slopes, wetlands or other development constraints.

Table 30
Commercial Land Use in Mill City (2014)

| Land Use | CH Zone (Acres) | CC Zone (Acres) | Total (Acres) |
|--|-----------------|-----------------|---------------|
| Currently in Commercial Use | 11.47 | 6.64 | 18.11 |
| Currently in Residential Use | 21.88 | 13.30 | 35.18 |
| Currently in Public or Semi-Public Use | 2.30 | 0.34 | 2.64 |
| Vacant | 20.10 | 3.97 | 24.07 |
| Vacant (Constrained - not Developable) | 3.44 | 0.00 | 3.44 |
| Total | 59.19 | 24.25 | 83.44 |

Source: Linn County GIS January 2015 data

Two distinct commercial areas exist: (1) the downtown area adjacent to 1st Avenue & W. Broadway and (2) the Highway 22 corridor extending from the east city limits to the west city limits.

- Downtown Commercial Area (CC Zone): The downtown commercial area is a mixed use area. Santiam Canyon schools and local government are the primary employers. Several small businesses, post office, professional services and grocery store serve as business anchors. Homes occupy a large portion of the remaining land in the Central Commercial (CC) zone. There is also a small strip of CC zoned land near the Mill City wastewater treatment facility on SE Remine Rd.
- Highway 22 (CH Zone): The Highway 22 commercial corridor is located on Oregon 22, the state highway that links the mid-Willamette Valley with Bend and central Oregon. Mill City's highway commercial area consists of highway oriented businesses. Hospitality and service businesses cater to the traveling public, recreational visitor and area residents. In 2014 individual businesses included a coffee shop, two restaurants, convenience store, a sporting goods store, gas station, real estate office, bank, building supply and several professional services.

Table 30 shows the number of buildable commercially zoned land inside the Mill City UGB. This includes vacant parcels plus other lots which are partially vacant (potential infill) or redevelopable parcels where low value structures could be demolished. Parcel sizes range from 0.25 acres to almost 9 acres in size. A number of ½-acre to two-acre commercial sites can be created along the

Hwy 22 corridor by consolidating parcels together. There is one vacant 9 acre site at the west end of the UGB on Hwy 22. In addition to the land identified in Table 30 as buildable land, parcels that are zoned for commercial use but are now committed to residential use could be purchased and redeveloped for commercial use. A list and map of available commercial sites in Mill City is included in Appendix A of the North Santiam Canyon Economic Opportunity Study (October 2014) prepared by the Mid-Willamette Valley Council of Governments.

All of the available commercial sites in Mill City inside the city limits are served by the City of Mill City water system and sewer system. City water mains are adequately sized to serve most commercial uses and meet fire-flow requirements. In the downtown CC zone retail, wholesale and service uses are permitted outright. Along the Hwy 22 corridor in the CH zone, new or expanded commercial uses undergo a site plan review and approval process before the Planning Commission.

Table 31
Buildable Commercial Lands
Net Buildable Land by Plan Designation/Land Type

| Zoning | Vacant | Infill | Redevelopable | Gross Buildable Acres | Set-aside for Public Use (25%) | Net Buildable Land |
|-------------------------|--------------|-------------|---------------|-----------------------|--------------------------------|--------------------|
| Central Commercial | 3.97 | 0.30 | 2.45 | 6.72 | (1.68) | 5.04 |
| Highway Commercial | 20.10 | 3.37 | 0 | 23.47 | (5.87) | 17.60 |
| Total Commercial | 24.07 | 3.67 | 2.45 | 30.19 | (7.55) | 22.64 |

Source: Linn County GIS January 2015 data

There are several challenges to developing the identified buildable land for commercial use:

- The City sewer system is a STEP system with limited capacity to handle commercial and industrial customers with heavy BOD demands. If BOD demands are too great, the business cannot locate in Mill City. Pre-treatment may be required.
- Businesses along the Hwy 22 corridor must comply with the City and ODOT access management standards for new driveways and street improvement requirements.
- Parcel sizes range 0.10 acres to 9 acres in size, with the vast majority less than 1 acre in size. With the exception of projects under 1 acre, a developer may have to acquire multiple parcels to create a commercial site of adequate size.
- Infill and/or redevelopment projects will require acquisition of existing homes, demolition and site improvements.

Projected increases in commercial land needs can be calculated with the safe harbor methodology described in Oregon Administrative Rules 660-024-0040 (9)(b):

A local government with a population of 10,000 or less may assume that retail and service commercial land needs will grow in direct proportion to the forecasted urban area population

*growth over the 20-year planning period. This safe harbor may not be used to determine employment land needs for sectors other than retail and service commercial.*²⁴

The City’s population is estimated to grow from 1870 persons to 2461 person by the year 2035, a 31% growth over the 20 year planning period. Using this safe harbor, the City will need 23.54 acres of commercial land, a 31% increase from the 2014 total of 18.11 acres.²⁵ Table 31 shows there is a need for an additional 5.43 acres of buildable commercial land by the year 2035.

Table 32
Commercial Land Need in 2035

| Commercial Land in 2014 in Commercial Use Total Acres | Commercial Land Need in 2035 Total Acres | Additional Buildable Commercial Land Needed by 2035 |
|--|---|--|
| 18.11 | 23.54 | 5.43 |

The City has 83 gross acres of land zoned for commercial use in the Central Commercial (CC) and Highway Commercial (CH) zones. As the community has developed, these zones were not reserved exclusively for business or commercial activities. There is a mix of residential, commercial and public uses. Sixty-three of the eighty-three acres are committed to existing uses or are constrained from development due to steep slopes, and wetlands. Table 32 shows the City has a total of 22.64 acres of buildable commercial land in CC and CH zones.

Table 33
Available Buildable Commercial Land

| Buildable Commercial Land Available in 2014 (Acres) | Buildable Commercial Land Needed by 2035 (Acres) | Surplus / (Deficit) Available (Acres) |
|--|---|--|
| 22.64 | 5.43 | 17.21 |

The City concludes there is an adequate supply of buildable commercial land inside the UGB to serve the City needs through the year 2035.

²⁴ OAR 660-024-0040(9) The following safe harbors may be applied by a local government to determine its employment needs for purposes of a UGB amendment under this rule, Goal 9, OAR chapter 660, division 9, Goal 14 and, if applicable, ORS 197.296.

- (a) A local government may estimate that the current number of jobs in the urban area will grow during the 20-year planning period at a rate equal to either: (A) The county or regional job growth rate provided in the most recent forecast published by the Oregon Employment Department; or (B) The population growth rate for the urban area in the adopted 20-year coordinated population forecast specified in OAR 660-024-0030.
- (b) A local government with a population of 10,000 or less may assume that retail and service commercial land needs will grow in direct proportion to the forecasted urban area population growth over the 20-year planning period. This safe harbor may not be used to determine employment land needs for sectors other than retail and service commercial.

²⁵ Commercial land needs projected based on 31% population growth: 18.11 acres x 131% = 23.54 acres

10.3 Industrial Land Need

The City has designated 206 acres for industrial use. In 2014, industrial uses occupied 138 acres of land inside the Mill City UGB, with the majority of the industrial sites occupied by two family owned wood products firms. The City has designated just over 63 acres of vacant and infill land at the west end of the UGB for future industrial use. Some of the industrially designated land is constrained for development due to steep slopes, wetlands and a Bonneville Power Administration easement for high tension electrical transmission lines. Table 33 shows there are more than 51 acres of buildable industrial land in the Mill City UGB.

Table 34
Buildable Industrial Lands
Net Buildable Land by Zoning District /Land Type

| Zoning | Vacant | Infill | Redevelopable | Buildable Acres | Set-aside for Public Use (25%) | Net Buildable Land |
|-----------------------------|--------------|--------------|---------------|-----------------|--------------------------------|--------------------|
| Limited Industrial (LI-UGA) | 7.74 | 12.53 | 5.63 | 25.90 | (6.48) | 19.43 |
| Heavy Industrial (HI-UGA) | 30.70 | 12.06 | 0 | 42.76 | (10.69) | 32.07 |
| Total Industrial | 38.44 | 24.59 | 5.63 | 68.66 | (17.17) | 51.50 |

Source: Linn County GIS January 2015 data

There are several challenges to developing the identified buildable land for industrial use:

- All of the industrially zoned land is outside the city limits in the UGB. Annexation to the city is required to obtain public water and sewer utilities.
- City water and sewer lines must be extended 1000' west from 10th Avenue on Lyons-Mill City Drive to reach the industrial zoned properties.
- There are thirteen (13) parcels identified as infill or redevelopable land. Parcel sizes range 0.50 acres to 7.24 acres in size. The parcels are currently used as rural residential home sites or small hobby farms. In order to be used for industrial uses, parcels must be purchased, homes demolished or moved and public water and sewer services extended to the sites.
- The largest, vacant industrial sites in the UGA-HI industrial zone are owned by Linn County and the two existing wood products firms. They may not be available to prospective industries.

All of Mill City's buildable and available industrial lands are located outside the city limits and inside the Mill City UGB at the west end of the community along Lyons-Mill City Drive. Vacant, buildable industrial lands are in parcel sizes ranging from less than 1 acre to more than 20 acres in size. The most significant constraint to immediate development is the lack of city water and sewer utilities to these sites. City facility plans show public facilities can be easily extended to serve the

industrial area. The economic development policies recommend the City pursue funding to provide public facilities to industrial sites.

Projected employment land needs can be calculated using the safe harbor methodology described in Oregon Administrative Rules 660-024-0040 (9)(b):

A local government may estimate that the current number of jobs in the urban area will grow during the 20-year planning period at a rate equal to either: (A) The county or regional job growth rate provided in the most recent forecast published by the Oregon Employment Department; or (B) The population growth rate for the urban area in the adopted 20-year coordinated population forecast specified in OAR 660-024-0030.

The Oregon Employment Department’s regional job growth rate for Regions 3 and 4 is estimated to be 1.26% annually. The City’s estimated annual population growth rate for 20-year planning period is 1.25% and overall the population will increase from 1870 residents to 2,461 people, a net 31% increase by the year 2035.²⁶

As discussed in Section 9.2, the City used the safe harbor methodology to estimate 137 jobs will be added in the City over the 20-year planning period.

The North Santiam Canyon has historically had a ratio of 60% industrial sector jobs to 40% retail/service/government/other employment job sector jobs. However, the Oregon Employment Department anticipates very little new job growth in the period from 2012 to 2022 will be in manufacturing and other industrial sectors. The 10-year projections concludes the % of industrial jobs in Regions 3 & 4 will remain constant, with a slight decrease in the % of government jobs and a slight increase in the number of jobs in the commercial and other job sectors.

Table 34 shows that between 1990 and 2012, the number of Mill City residents employed in industrial sector jobs declined by 17%. In 2012, 42% of the employed residents worked in industrial sector jobs, while the remaining 58% worked in government, commercial or other job sectors. As with 10-year regional estimates, the City assumes the occupations of future employed residents will mirror the 2012 percentages and the job sector allocations for new jobs created in Mill City will also mirror these percentages.

Table 35
Occupations of Employed Mill City Residents

| Industry | 1990 | 2000 | 2012 | % of jobs in 2012 | % change 1990 to 2012 |
|--|------------|------------|------------|-------------------|-----------------------|
| Manufacturing and industrial sector jobs | 286 | 266 | 237 | 42% | -17.1% |
| Government | 52 | 48 | 82 | 44% | 57.7% |
| Commercial and all other job sectors | 197 | 312 | 248 | 14% | 25.9% |
| Total | 535 | 626 | 567 | 100% | 6.0% |

Source: U. S. Census Bureau, 1990 and 2000 Census and 2013 American Community Survey data

²⁶ Oregon Employment Department, Region 3 and Region 4, 2012-2022 Long Term Projections.
[OLMIS - Long-Term Projections Show Broad-Based Job Opportunities in Benton, Lincoln, And Linn Counties;](#)
[OLMIS - Long-Term Projections Show Broad-Based Job Opportunities in Marion, Polk, and Yamhill Counties](#)

Therefore, the City estimates 40% of new job growth (55 new jobs) will occur in industrial sectors and 60% of the estimated new job growth (82 new jobs) will occur in the retail, service and government sectors.

In Mill City, there were 392 payroll jobs in 2012, with an estimated 235 (60% +/-) jobs in industrial job sectors. In 2014, just over 138 acres in the Mill City UGB were in industrial use, generating a ratio of 1.7 jobs/developed acre (235 jobs ÷ 138 acres = 1.7 jobs/acre). With virtually all of Mill City’s industrial sector jobs at the two large wood products facilities, the jobs/acre ratio is low.

The City has 206 acres of gross acres of land zoned for industrial use in the Limited Industrial (LI) and Heavy Industrial (HI) zones. In 2014 more than 95 acres are in industrial use or committed to other uses. This employment lands analysis reveals 42 acres of the remaining available land is constrained from development due to existing BPA power lines, steep slopes, and wetlands. If the jobs/acre ratio for future industrial development remains near 2 jobs per acre, then 27.5 acres of buildable industrial land will be needed for 55 new jobs.

Table 36
Industrial Land Need in 2035

| Estimated New Industrial Sector Jobs 2015 to 2035 | Industrial Sector jobs per acre | Additional Buildable Industrial Land Needed by 2035 |
|--|--|--|
| 55 | 2.0 | 27.50 |

Table 35 estimates the Industrial Land needs in Mill City. Using 2.0 jobs per acre ratio, the City finds there is a need for an additional 27.50 acres of buildable industrial land by the year 2035.

Table 37
Available Buildable Industrial Land

| Buildable Industrial Land Available in 2014 (Acres) | Buildable Industrial Land Needed by 2035 (Acres) | Surplus / (Deficit) Available (Acres) |
|--|---|--|
| 51.50 | 27.50 | 24.00 |

Table 33 on page 43 of this report shows there are 51.50 acres of net buildable industrial land in the LI and HI zones. With 51.50 acres of net buildable industrial land, the City concludes there is an adequate supply of buildable industrial land inside the UGB to serve the City needs through the year 2035.

10.4 Public Land Needs

Forecasts for public sector growth often include land for new or expanded schools, parks and open spaces, public works utilities and general government buildings for the City and special service districts.

10.4.1 Schools:

City staff conducted interviews with School District officials about future plans for the school facilities. School officials said the Mill City School District's student population of 577 was below the peak enrollment of the 1990s when the district had 865 students. With the decline in enrollment, capacity for growth was available in existing school buildings in Mill City. In 2012, the Santiam Canyon School District closed the Gates Elementary School and moved all elementary grades to Mill City. Mill City school buildings now house all K-12 students on the 15.77 acre campus along SW Evergreen St. The District has identified needs to renovate existing school facilities, but does not have plans or funds available to acquire additional land or build new school facilities.

10.4.2 Parks:

New or expanded public parks, trails and open spaces will create the largest demand for public land acquisitions over the 20-year planning period. The *City of Mill City Parks Master Plan (2014)* shows the City has 33 acres of public parks, open spaces and recreational trails. Kimmel Park, an 8.7 acre community park, is the centerpiece of the park system. It is the focal point for the 4th of July fireworks, community events and large outdoor gatherings. Mill City has 5.27 acres of open space and neighborhood parks and a 10+ acre recreational trail near the North Santiam River. The recreational trail on the old railroad right-of-way runs east-west through the City. It links several parks and open space areas: Evergreen Park, Wayside Memorial Park, Hammond Park, Mill City Falls Park and open space areas at the east end of the City along the N. Santiam River.

The Parks Master Plan proposes the acquisition of 15-18 acres for parks and open space including two small one-acre neighborhood parks in the southeast and southwest sections of the UGB, small parcel land acquisitions adjacent to Kimmel Park on SE Fairview Avenue and the acquisition of 10+ acres for a multi-use sports complex. One option for these sports fields is on land outside the Mill City UGB on River Road utilizing a City-owned parcel and adjacent public lands. All other parks will be developed on property currently owned by the City.

10.4.3 General Government Facilities:

General government facilities are adequate to serve the community for the next 20 years. The City constructed a new City Hall on 1st Avenue in 2013 adjacent to the Mill City Rural Fire Protection District's main station.

10.4.4 Public Facilities: Water, Sewer, Drainage and Transportation

In the 2000s decade, the City acquired land and completed upgrades to the water supply and treatment facilities (2004) and sewer pump stations and wastewater treatment plant (2008). There are no plans for additional site acquisitions for water and sewer facilities. The Hwy 22 Access Management plan proposes acquisition of slivers of right-of-way for widening Hwy 22. The Storm

Drainage Master plan anticipates land will be needed for storm water detention basins concurrently with new development.

10.4.5 Public Land Acquisition to Serve Development

The existing street network in Mill City is well established. In areas where in-fill development or redevelopment may occur, the City will not need to acquire public land for streets, parks or open space. In the undeveloped area at the southeast and southwest edges of the Mill City UGB, the City anticipates developers will need to provide street right-of-way, parks and open space areas in conjunction with the new development. These public lands will be acquired via dedication, purchase or donation concurrently with new developments.

10.4.6 Public Land Needs and Public Land Set-Aside

The City has utilized the safe harbor methodology of OAR 660.024.0050 to set aside 25% of the gross buildable acres and assume it will be used for future public purposes. As discussed in Section 7 of this buildable lands analysis, the City has 268 acres of Gross Buildable land within the UGB. After 67 acres are set aside for public purposes, the City will have 201 acres of net buildable land inside the UGB available for future residential, commercial and industrial uses.

Based on the discussion above, the City will need to acquire land for parks, open space, drainage facilities within the existing developed area of the City and new streets, parks and open spaces in future developments within the UGB. There does not appear to be a need to acquire land for schools, general government buildings or water/sewer utilities. Therefore, the City concludes the safe harbor approach to reserve 67 acres for future public uses will be sufficient to meet the city needs for parks, general government buildings, public utility facilities, transportation and streets within the UGB during the 20-year planning period.

11. Comparison of Overall Buildable Land Needs versus Supply

This buildable land analysis compares the overall buildable land that is available against what will be needed over the planning period. Table 37 provides this comparison of residential, commercial and industrial land need and supply within Mill City's UGB.

Table 38
Comparison of Land Need and Supply

| Zoning Designation | Buildable Land Available (Acres) | Land Needed (Acres) | Deficit or Surplus of Acres |
|----------------------|----------------------------------|---------------------|-----------------------------|
| Residential | 127.45 | 44.13 | 83.32 |
| Commercial | 22.64 | 5.43 | 17.21 |
| Industrial | 51.50 | 27.50 | 24.00 |
| Total Acreage | 201.59 | 77.06 | 124.53 |

The City concludes there is an adequate supply of buildable land available to meet the anticipated need for residential, commercial and industrial development inside the Mill City UGB through the year 2035. The City has also 67.2 acres are reserved to meet the public need for future right-of-way, parks and government facilities as shown on Table 21.

11.1 Residential

There is a sufficient amount of available, buildable land in Mill City's Urban Growth Boundary for single family dwellings, manufactured homes and multi-family residential development over the next 20 years. Mill City has a total of 127 acres of buildable residentially zoned land that could be used for new housing construction, while the projected need is 44.13 acres.

In 2014 the City had several partially developed subdivisions with vacant buildable lots. The Village at Santiam Pointe, adjacent to the North Santiam River, and the Luxury Estates development on SW 2nd Avenue and SW 3rd Avenue, had a combined 25 vacant fully developed lots zoned for conventional stick-built single family homes. A few large (0.25+ acres) vacant residential parcels with river frontage are located on SW Spring Street. In addition, there are various large (5+ acre) parcels on the eastern boundary of the UGB that may be utilized for either a conventional subdivision, manufactured homes on individual lots, manufactured home parks or other residential uses. Infill opportunities for both single family and multi-family housing exist in many locations throughout the city, while potential redevelopment of residential lots is common south of Fairview and Evergreen Streets in Linn County. Map 7 shows the buildable residentially zoned land in the Mill City UGB.

11.2 Commercial

There is a surplus of 17.21 acres of commercially-zoned land within the UGB to meet Mill City's retail and services needs over the next 20 years. The estimated commercial land need through the year 2035 is 5.43 acres.

Currently, two commercial areas exist. The first is the Hwy 22 corridor on the Marion County side of the North Santiam River which has the majority of vacant, buildable commercial land in the Highway Commercial (CH) zone. The CH zone is designed to accommodate all types of retail, professional, restaurant, hospitality services and auto-oriented commercial uses. The Central Commercial (CC) zone includes the Wall Street business area and the 1st Avenue/W. Broadway Avenue business/government center. This commercial zone can accommodate government, education, professional and smaller retail and service businesses. Map 8 shows the buildable commercial land in the Mill City UGB.

11.3 Industrial

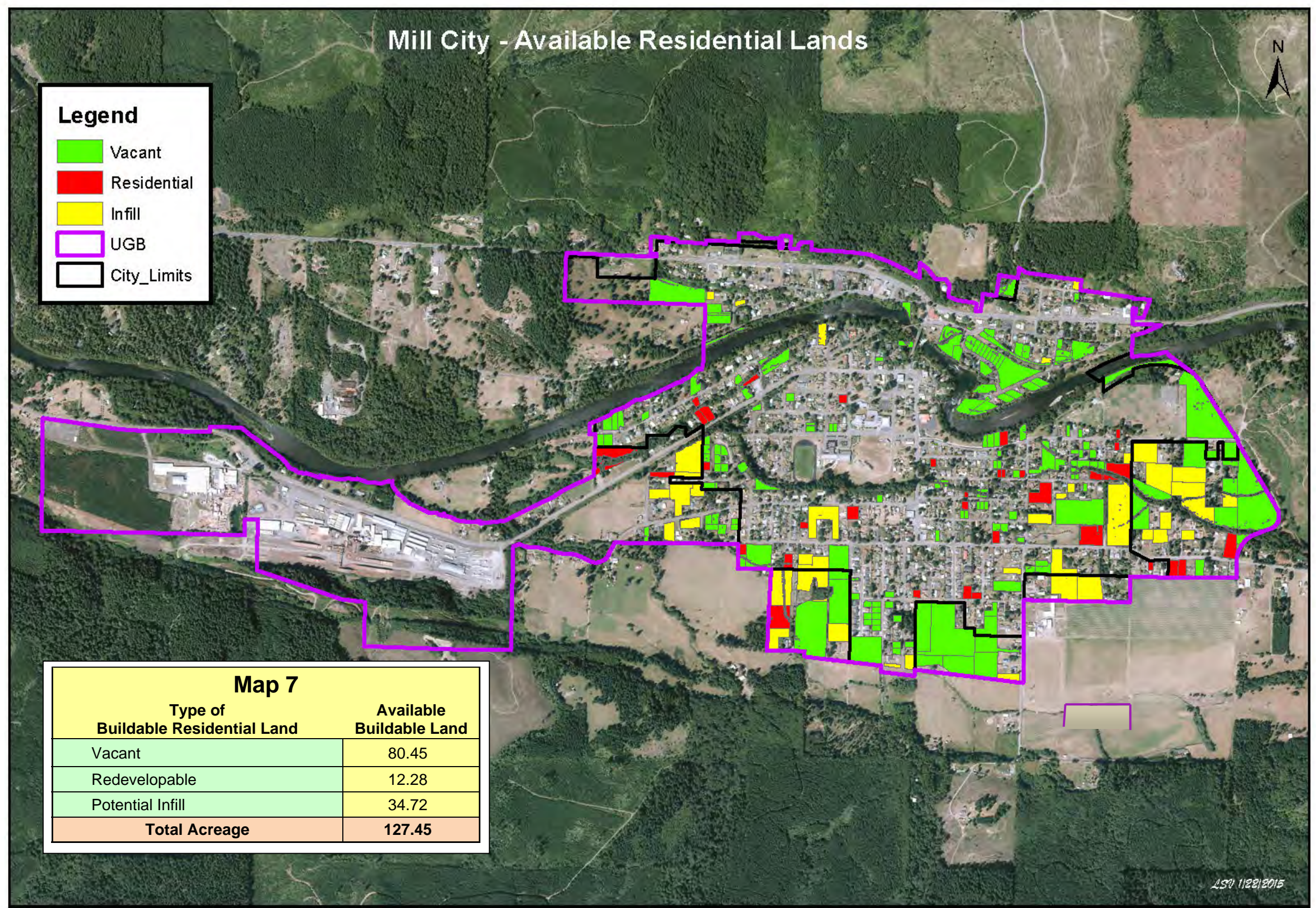
A majority of the Industrial – zoned land in Mill City lies outside of the city limits on the western edge of the UGB. Industrial use is suited towards larger size parcels and Mill City has more than 50 acres of land in its industrial zones.

On the far western UGB boundary, a vacant parcel owned by Freres Lumber contains 18 acres of buildable space between E. Lyons – Mill City Drive and BPA power line easement and the steep slopes south of the UGB. Frank Lumber Company, directly east of Freres Lumber, has 9 buildable acres of vacant land on both sides of their mill site. Another 9 acres of industrial land is located on 4 parcels north of Kingwood Avenue and west of 11th Avenue. These four parcels are under different ownership, but can be assembled into a larger tract and be redeveloped for industrial use. All available Industrial land within the Mill City UGB is shown on Map 9.

Mill City - Available Residential Lands

Legend

- Vacant
- Residential
- Infill
- UGB
- City_Limits

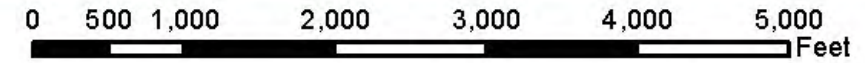


Map 7

| Type of Buildable Residential Land | Available Buildable Land |
|------------------------------------|--------------------------|
| Vacant | 80.45 |
| Redevelopable | 12.28 |
| Potential Infill | 34.72 |
| Total Acreage | 127.45 |

LSA 1/22/2015

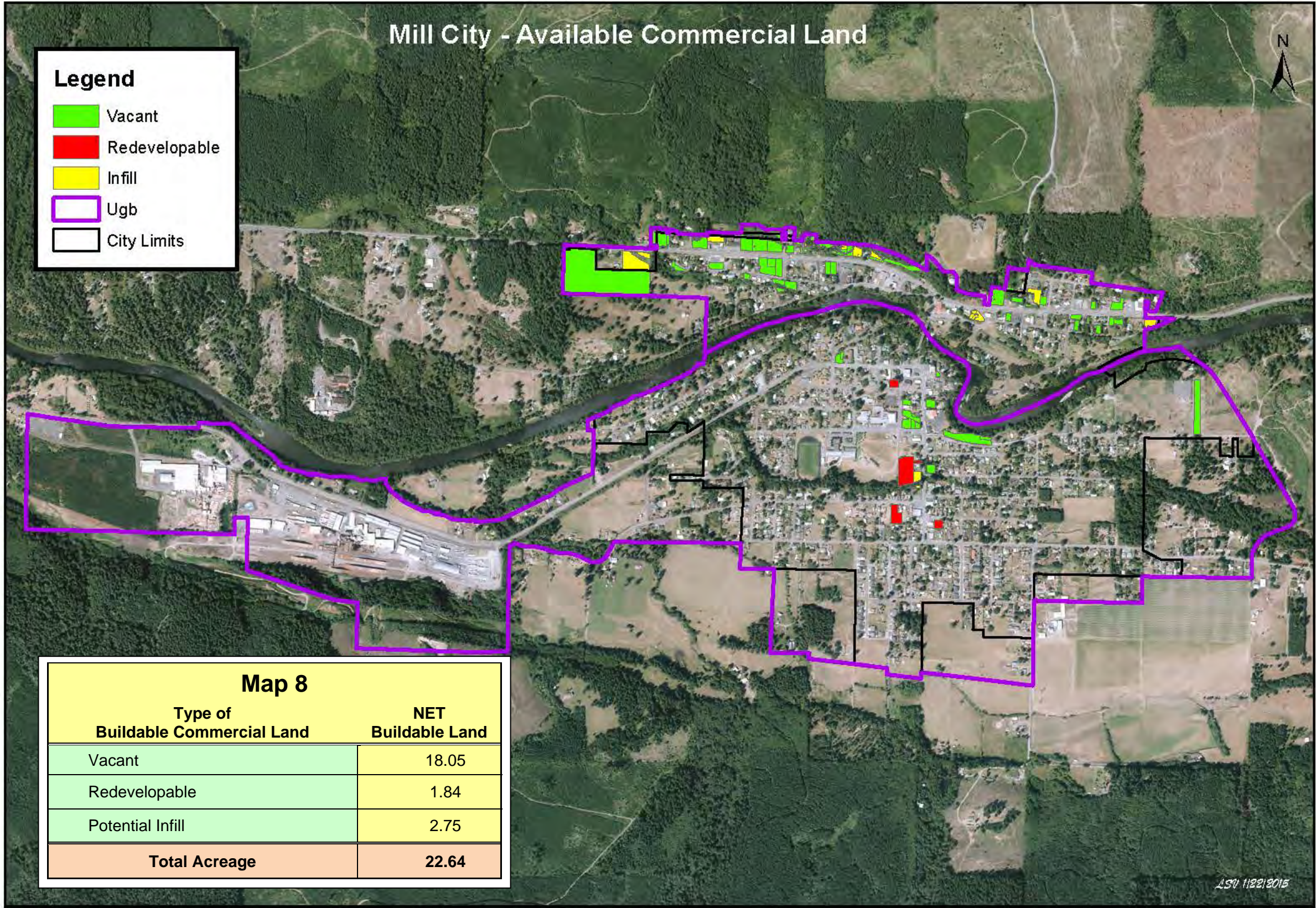
Map Data Sources: Linn and Marion Counties.
January 2015



Mill City - Available Commercial Land

Legend

- Vacant
- Redevelopable
- Infill
- Ugb
- City Limits

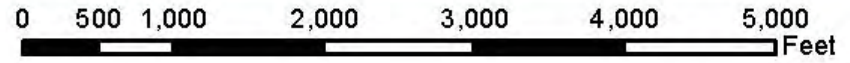


Map 8

| Type of Buildable Commercial Land | NET Buildable Land |
|-----------------------------------|--------------------|
| Vacant | 18.05 |
| Redevelopable | 1.84 |
| Potential Infill | 2.75 |
| Total Acreage | 22.64 |

LSU 112213015

Map Data Sources: Linn and Marion Counties.
January 2015

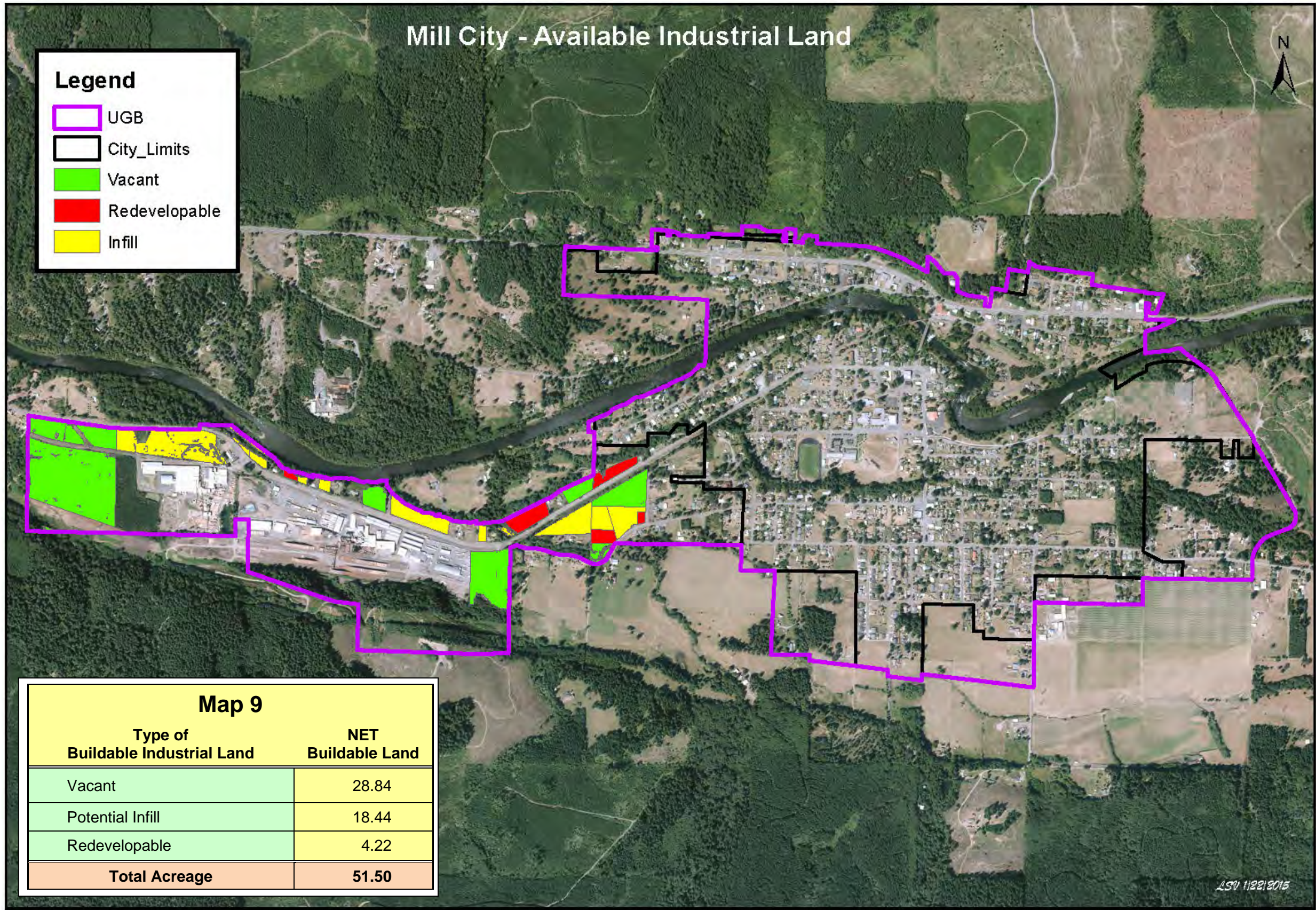


Mill City - Available Industrial Land



Legend

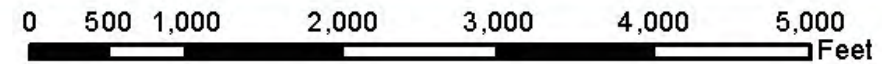
- UGB
- City_Limits
- Vacant
- Redevelopable
- Infill



| Map 9 | |
|-----------------------------------|--------------------|
| Type of Buildable Industrial Land | NET Buildable Land |
| Vacant | 28.84 |
| Potential Infill | 18.44 |
| Redevelopable | 4.22 |
| Total Acreage | 51.50 |

LSU 112213015

Map Data Sources: Linn and Marion Counties.
January 2015

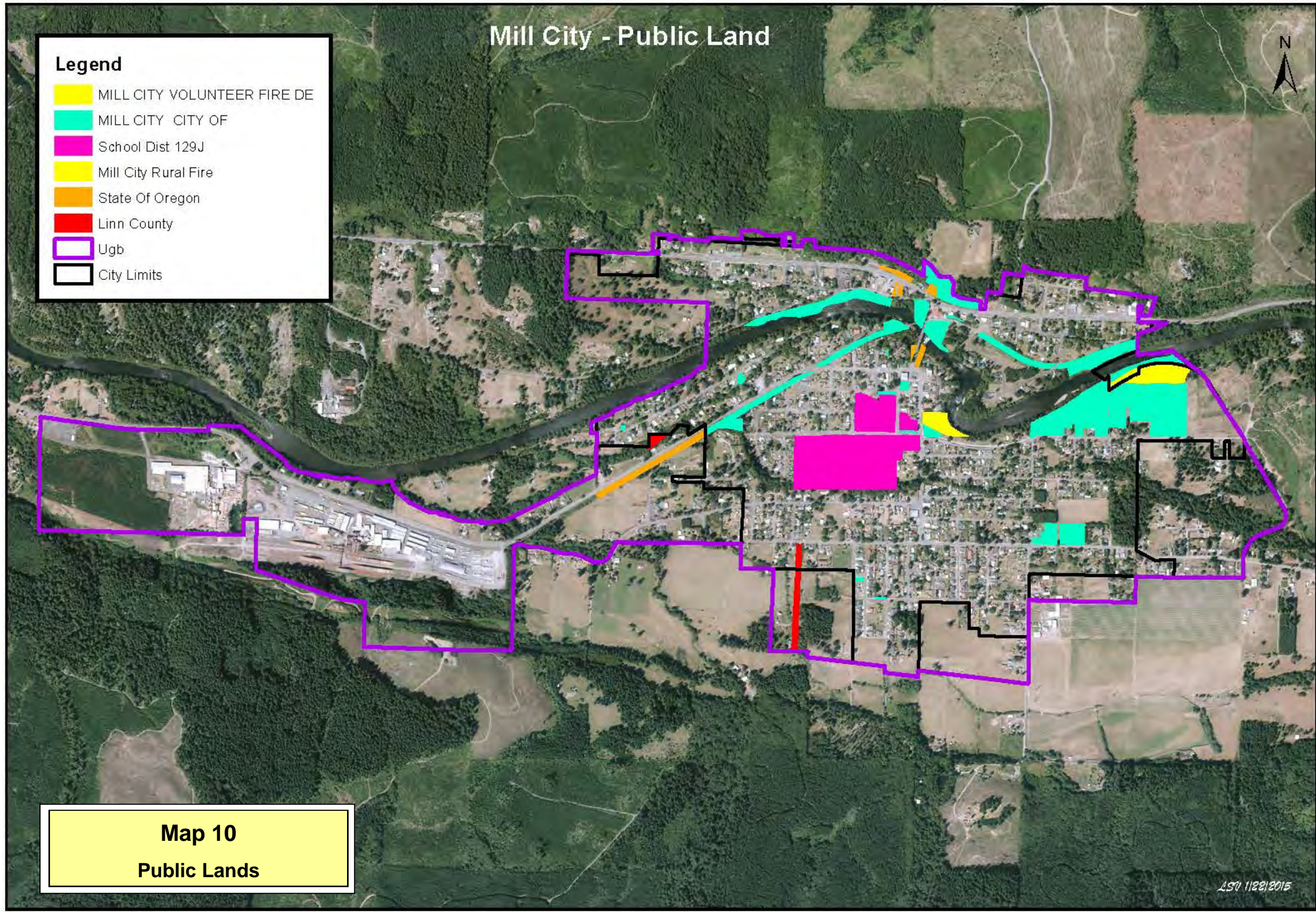


Mill City - Public Land



Legend

- MILL CITY VOLUNTEER FIRE DE
- MILL CITY CITY OF
- School Dist 129J
- Mill City Rural Fire
- State Of Oregon
- Linn County
- Ugb
- City Limits



Map 10
Public Lands

LSU 1/22/2015

Map Data Sources: Linn and Marion Counties.
January 2015

