

Exhibit FF

**Delta Waters Properties, LLC**  
P.O. Box 430  
Medford, OR 97501

**RECEIVED**  
AUG 05 2015  
PLANNING DEPT.

**VIA HAND DELIVERY**

August 5, 2015

City of Medford Planning Department  
Attention: Joe Slaughter  
Lausmann Annex  
200 S. Ivy St.  
Medford, OR 97501

**RE: Comments on Urban Growth Boundary Amendment (File No. CP 14-114)**

Dear Mayor Wheeler and City Council Members,

Thank you for the opportunity to comment on the proposed amendment to the City of Medford's Urban Growth Boundary ("UGB"). Delta Water Properties LLC ("Delta Waters") owns a 53.99-acre parcel at the north terminus of Cheltenham Way ("Property"). The Property is currently zoned Single Family Residential - 10 Units under the City of Medford's ("City") Land Development Code, which allows for the development of 10 dwelling units per acre. However, given the transportation infrastructure improvements that Delta Waters would be required to fund in order to develop the Property, development is not presently feasible.<sup>1</sup> For this reason, over the last two years, Delta Waters has been working collaboratively with City staff to reach agreement on a public-private funding proposal to address needed transportation deficiencies in the vicinity of the Property; namely, upgrades to the intersections at Crater Lake Avenue and Owen Drive and Crater Lake Avenue and Delta Waters Road:

Crater Lake Avenue and Owen Drive: As Owen Drive is extended to the east, additional east-west traffic on this street degrades the operation of the intersection. Transportation System Plan ("TSP") Project Number 22 identifies the need for signalization of this intersection to meet adopted performance standards. Signalization of this intersection is not in the current Statewide Transportation Improvement Program ("STIP") or the City's Capital Improvement Program.

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<sup>1</sup> As a condition of a 2011 zone change for the property (File No. ZC-10-078), Delta Waters is required, prior to construction, to mitigate project impacts at the intersections of Crater Lake Avenue and Owen Drive and Crater Lake Avenue and Delta Waters Road.

Crater Lake Avenue and Delta Waters Road: Multiple traffic studies indicate that this intersection is currently operation at a Level of Service (“LOS”) F. TSP Project Number 514 identifies the need for improvements at this intersection, and City staff has indicated that a more extensive project than that contemplated in the TSP may be needed. Improvements to this intersection are not identified in the current STIP or the City’s Capital Improvement Program.

Delta Water’s transportation system improvement proposal (“Proposal”) involves both public and private investment, with the City seeking grant funding for the needed transportation improvements to the above-mentioned intersections and private parties, including Delta Waters, providing the local match for the portion of the grant associated with the improvements to Delta Waters Road and Crater Lake Avenue and the installation of a signal at Crater Lake Avenue and Owens Drive. This joint funding agreement would be implemented through a Disposition and Development agreement, which would be presented to the City Council.

Although we appreciate the time City staff has devoted to evaluating and providing feedback on the Proposal to date, for the reasons set forth below, we do not think it is reasonable for the City to amend the UGB until the City moves forward with the Proposal or otherwise helps Delta Waters and other property owners within the vicinity of the above-mentioned intersections resolve the transportation deficiencies associated with those intersections. Simply put, to move forward with plans to bring additional properties into the UGB at the expense of working collaboratively with property owners to provide necessary public improvements to developable lands within the UGB is an unfortunate allocation of City staff resources and contrary to state urbanization goals, which direct cities to ensure the efficient use of land and provide an orderly and efficient transition from rural to urban land.

Additional Demands on Transportation System. The Transportation Memo attached to the Draft Findings (Appendix J) notes that City staff has wrestled with the “inherent irony” that bringing land into the UGB in the northeast to alleviate a transportation problem also creates further demands on the transportation system. Although Delta Waters acknowledges this tension, with respect to the already-constrained intersections at Crater Lake Avenue and Owen Drive and Crater Lake Avenue and Delta Waters Road, we believe it is far more prudent to work actively to resolve the existing transportation deficiencies *before* moving forward with a proposal that would add additional capacity. The proposed amendment to the UGB would bring a substantial amount of property into the UGB in the vicinity of the Property but there appears to be no urgency to resolve already-existing deficiencies in the transportation system. Although Delta Waters understands that land added to the UGB would retain its existing zoning and therefore the Transportation Planning Rule does not apply, from a practical perspective, it seems imprudent to ignore the transportation system deficiencies that must be resolved prior to development of properties inside the UGB and the proposed expansion area.

Consistency with Goal 11, Public Facilities and Services. Although the Draft Findings discuss data that was collected for the External Study Areas regarding serviceability for water, sewer, and transportation facilities in an effort to measure the City’s ability to provide public facilities in an orderly and economic fashion, the Draft Findings do not provide evidence that the provision of these services will be *timely, orderly, and efficient*, as required by Statewide

Planning Goal 11. Understanding that the City has to-date failed to resolve the transportation system deficiencies at the two Crater Lake Avenue intersections discussed above, it is unclear how the provision of transportation improvements to the proposed UGB expansion areas in northeast Medford would be timely, orderly, or efficient. Indeed, Statewide Planning Goal 11, Guideline A.1 provides that public facilities and urban areas “should be provided at levels necessary and suitable for urban uses.” Given this direction, Delta Waters believes that the City should be required, at a minimum, to work actively to resolve transportation deficiencies within the UGB as it discusses the provision of transportation improvements in UGB expansion areas.

Consistency with Goal 12, Transportation. Delta Waters acknowledges that the City will require that a revised TSP, including any areas added to the UGB, will be adopted prior to the annexation of any of the UGB, and that this revised TSP will address transportation needs throughout the UGB. Although Delta Waters supports the City’s efforts to address transportation deficiencies city-wide, the City’s obligation “to provide and encourage a safe, convenient and economic transportation system,” as required by Statewide Planning Goal 12, is ongoing. For that reason, Delta Waters believes that, even as it moves forward on the UGB expansion proposal, the City should continue to work collaboratively with property owners to provide necessary public improvements to developable lands within the UGB.

Consistency with Goal 13, Energy Conservation. Focusing on developable lands within the UGB has the benefit of reducing motor vehicle trips, and maximizing both the efficiency of public infrastructure and the benefits associated with public infrastructure improvements. As the Draft Findings note, one of the coarse filters for selecting sites to include in the UGB is proximity: “Selecting parcels closer to the existing UGB not only helps to maximize the efficiency of public infrastructure, it has the benefit of reducing motor vehicle trips.” Draft Findings at 20. The Draft Findings go on to note that “[a] more compact urban area . . . provides greater opportunities to invest in facilities for pedestrians and bicyclists, while at the same time making walking and biking more viable transportation options.” *Id.* Simply put, it is not possible to foster a more compact urban area, thereby getting the most benefit from transportation investment and reducing motor vehicle trips if necessary transportation improvements within the existing UGB are not part of the UGB expansion conversation.

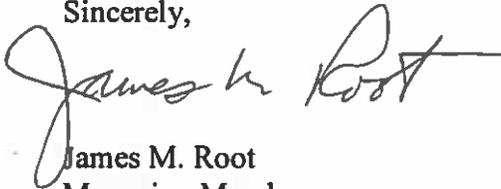
Consistency with Goal 14, Urbanization. Although Delta Waters understands that any land added to the UGB as part of the proposed UGB amendment would retain the zoning assigned prior to inclusion within the UGB and therefore the Transportation Planning Rule does not apply, we believe it is entirely appropriate for the City to consider the proposed amendment in light of the improvements to the transportation system that are needed to facilitate development of land within the UGB. Indeed, as outlined in Statewide Planning Goal 14, the purpose of the UGB amendment process is to provide an orderly and efficient transition from rural to urban land, and to ensure efficient use of land. Prioritizing the inclusion of additional properties within the UGB over necessary public improvements that would facilitate development of land within the existing UGB works against these objectives.

In sum, Delta Waters does not believe it is prudent for the City to ignore the transportation system deficiencies within the UGB while at the same time moving forward with a UGB expansion. To provide an orderly and efficient transition from rural land, we believe the

better approach is for the City to simultaneously work to address the transportation system deficiencies within the UGB, particularly upgrades to the intersections at Crater Lake Avenue and Owen Drive and Crater Lake Avenue and Delta Waters Road. To accomplish this, we urge the City Council to direct City staff to work with Delta Waters to move the Proposal forward. We believe the Proposal will provide substantial benefits to the City in the form of orderly and efficient urbanization and economic growth.

Thank you for the opportunity to comment on the proposed Urban Growth Boundary Amendment. We look forward to continued conversations with the City regarding how best to resolve the transportation infrastructure issues to allow development of the Property and other properties in northeast Medford while at the same time supporting the eventual expansion of the UGB and development of lands therein.

Sincerely,

A handwritten signature in black ink that reads "James M. Root". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke at the end.

James M. Root  
Managing Member  
Delta Water Properties, LLC