

Friends of
French Prairie

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October 20, 2016

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RE: FRENCH PRAIRIE TRAFFIC SAFETY PROBLEMS AND CURRENT DEVELOPMENT AT THE DONALD INDUSTRIAL PARK

It has come to our attention that the City of Donald has begun the approval process for the Wilco hazelnut processing plant at the Donald Industrial Park site, and that site preparation is underway.

Following a Public Records Request to the City of Donald, we have now received: 1) Staff Reports on this project, 2) the Site Development, 3) Two Traffic Impact Analyses (Exhibit 1 & 2) prepared by Clemnow Associates, and 4) Comments on the above to City of Donald from John Rasmussen in Marion County Public Works.

On behalf of French Prairie residents, I am writing to raise serious concerns about:

- the current transportation infrastructure in the Exit 278 & Ehlen Road corridor
- the apparent lack of transportation planning for north Marion County
- the impact of recent developments that have compounded the need for enhanced transportation infrastructure

- The impact of traffic overload on Hwy. 99W and the Newberg/Dundee bypass which is already bringing increased traffic to our Marion County roads,
- concerns about the assumed impacts of the Donald Industrial Park development as presented by the developer.

These are significant issues, which have compounded over time worsening the traffic safety, and completion of this project without serious consideration of the traffic safety and mitigation of the roads in this part of Marion County would be a major flaw with the approval process. This letter is not intended to be a thorough assessment, but to lay out in some detail the problems listed above.

2010 Comprehensive Plan Amendment Assumptions

The September 7, 2007 TIA prepared by the Group Mackenzie (Exhibit 3) as part of City of Donald's UGB expansion led to the acceptance and approval of a comprehensive plan amendment agreed to by the City of Donald, Marion County, and the State of Oregon following resolution of the appeal filed against the original UGB expansion. Two major concerns stand out.

#1. The Clemnow TIAs that are being used as the traffic analysis basis of the proposed application are predicated on data collected nearly a decade ago. Clearly the transportation situation in northern Marion County has changed dramatically in the subsequent 10 years. I spoke to Chris Clemnow, principal of Clemnow Associates LLC by phone on October 6, and he informed me that when engaged he was asked to update the Group McKenzie TIA from Sept. 2007 relative to the current development proposal so that it could be submitted to the City of Donald for the City to respond to. Of note, the two TIAs were prepared and submitted two months apart, not making it easy to assess the traffic impacts as a whole.

The 2010 Comprehensive Plan amendment for the expansion of the City of Donald UGB stated:

*While Condition 2 of Exhibit E outlines **some** of the required mitigations, the applicant will also need to prepare a TIA specifically for the future project, as outlined in Condition 1. The purpose of **this additional TIA** is to evaluate the impact to the local road system and to confirm the traffic volume projections.... (emphasis added)*

Additionally, approval by the Board of County Commissioners at the time included expressed concern by Commissioner Carlson about current traffic trips and grave safety concerns that were the basis of her caveat that at the time of development "the traffic impact of the application must be revisited in detail." See Friends of French Prairie letter dated August 11, 2009 (Exhibit 4)

The two eight-page TIAs prepared by Clemnow Associates clearly fail the test of being the "comprehensive traffic impact assessment" that Commissioner Carlson's described in her 2009 statement at the time of approval. They are site-specific, and fail to consider other

developments in the area that occurred over the past decade and have significantly contributed to a very real traffic safety problem – for instance, Mr. Clemnow stated he had no knowledge of the relocation of the Marion Ag Services fertilizer plant to Butteville Rd. and St. Paul Highway, south of Donald!

The Clemnow TIAs simply do not address the serious and significant changes to the transportation situation since both the 2007 TIA, and the subsequent 2010 Comprehensive Plan Amendment. **We strongly urge Marion County and the City of Donald to require a much more detailed analysis of the current transportation system consistent with the expectations set in the 2010 Comprehensive Plan Amendment given the major safety issues, the needed infrastructure, and the impact of significant changes to the develop patterns impacting the Exit 278, McKay/Ehlen/Butteville Road area.**

OAR 660-012-0060 requires a 15 year “planning horizon”, whereas the data being used for consideration of an approval of a permit was collected nearly 10 years ago – which means that 2/3 of the planning horizon has already lapsed, and a new comprehensive TIA needs to be conducted before any additional development permits should be approved.

#2. As mentioned above, approvals and development changes approved by Marion County and the state of Oregon since 2010 have dramatically altered the assumptions that should be used in planning for any new development. I know of no TIA that has taken into consideration the dramatic increase in traffic and changes in traffic patterns, transportation infrastructure, and development since the 2007 study and subsequent 2010 plan amendments. Here are several documented examples:

- a. Approval and market success of the Pilot/Flying J Travel Plaza (**Opened January 2014**). The approval of this development seriously impacted both traffic patterns on Ehlen road, and the critical failure of the Donald Aurora interchange. Minimal traffic mitigation and no traffic signal were required for this development that greatly increased truck traffic. (Exhibit 5)
- b. Legislative Approval of the Newberg/Dundee By-Pass (2009), and subsequent agreements which are already redirecting commuter and truck traffic from Yamhill County through McKay/Ehlen Road to I-5. No reasonable person expected or could have foreseen the 2009 Legislature specifically approval of a nearly \$200 million “earmark” to build the Newberg/Dundee By-Pass, nor ODOT’s decision to terminate the east end of the bypass at Oregon State Highway 219. City of Newberg’s recent UGB expansion process included commercial that was predicated, in part, on access to I-5 via Hwy. 219 and Ehlen Road. The bypass **project opens in 2017** and it is reasonable to believe that it will have significant additional impact on the transportation infrastructure throughout northern Marion County. (Exhibit 6).
- c. Marion Ag Services new “massive” 150,000 sq. ft. regional fertilizer hub at the intersection of St. Paul Hwy. and Butteville Road (**Opening December 2016**). This new facility will consolidate fertilizer mixing activities currently spread throughout the Willamette Valley to one location, not only for Marion Ag, but also many of its current

competitors such as JR Simplot, Potash Corp, and International Raw Materials. This new operation is a seven-fold increase in Marion Ag's current capacity. Also they will be increasing employment to 110 employees. (Exhibit 7). Their statements to the public site the benefits of closer proximity to a rail line and I-5, and It is reasonable to assume that with the new facility physically closer to Ehlen Road, that it will contribute to increased traffic.

- d. Current increase in "thru" traffic. Recent traffic counts show a significant increase in commuter traffic using Hwy 219, McKay Road, Ehlen Road, Butteville Road, and the Donald/Aurora Interchange – even before the opening of the Newberg/Dundee bypass in 2017. Anecdotal evidence shows, and documented traffic accidents demonstrate, that these transportation systems are beyond capacity and perhaps at failure, even before the opening of the major impacts above (Exhibit 8).

Community Safety Must Be First Planning Objective:

On September 7th Sheriff Jason Meyers made a presentation to a community meeting in Donald discussing the increased traffic and increased traffic accidents in Northern Marion County (Exhibit 8). Attached is a presentation made by the Marion County Sheriff's office to the citizens of the community (Exhibit 9) which states:

Marion County Sheriff's Lt. Jerry Adcock agreed that the statistics bear out citizens' anecdotal stories. In the first six months of 2016, the sheriff's office recorded 536 accidents in the north county region on non-state highway roads and 10 fatalities. By comparison, in the south county region, with more than double the population, there were 439 accidents with two being fatal.)

Traffic patterns in and out of Yamhill County, and northern Marion County have changed radically in the subsequent 10 years since the last significant TIA. It is unreasonable and irresponsible to rely on obsolete data from a TIA from 2006/2007 to issue a development permit in 2016 based when current statistics demand a more complete review of any new impacts on county and state roads/highways.

Conclusion: It is important to understand that the current traffic fatality situation should require a new comprehensive TIA, notwithstanding the expected increase traffic coming from the already approved developments listed above (recently opened or opening in the within the next year).

Specific Donald Industrial Park Building Permit Application TIAs

The Clemnow Associates TIA references the previous Group McKenzie TIA as being used for "baseline data" and as stated above, Mr. Clemnow said his goal was to update the earlier TIA specific to the proposed development. Two major factors are then the subject of this work: trip generation data which serves as the basis of traffic mitigation assessments as well as system development costs, and traffic mitigation recommendations which directly impact traffic safety.

The Clemnow TIA could have literally taken the Group McKenzie TIA and made adjustments in the Trip Generation Data prepared in 2008 to adjust for the size of the Donald Industrial Park development and changes over time, or it could have created new trip generation data using the Institute of Transportation Engineers (ITE) “Common Trip Generation Rates” to create new data. Rather than either of these, the chosen methodology was calculations using “development specific data” provided by Wilco/Hazelnut Growers of Oregon (HGA) based on the contention the facility would be so unique that generic data would apply. No attempt was made in the TIA to validate or substantiate the data provided by Wilco/HGA. It appears that the submitted short 8-page TIA substantially underestimates the size, volume, growth, and purpose of the new food processing facility.

#1 Current/Similar Operation: Hazelnut Growers of Oregon/Westnut LLC is the largest processor and marketer of hazelnut in North America (Exhibit 10). A Google search shows that the current Hazelnut Growers of Oregon/Westnut facility is located at: 401 N 26th Ave, Cornelius, OR 97113. This facility is roughly 48,000 sq. ft. The other primary hazelnut processor is Northwest Hazelnut Company located at: 19658 Pacific Hwy E, Hubbard, OR 97032. This facility is estimated to be 50,000 sq. ft. The “merger” of HGO and Wilco resulted in the proposed Donald facility which will more than double the size of the current standard of hazelnut processing facilities in the industry.

#2. Facility is being built to address the growth in Oregon Hazelnut Industry and increased Hazelnut Growers of Oregon (HGO) Market Share:

- a. According to a September 30th, 2016 article in the Albany Democrat Herald, the current mature/producing hazelnuts orchards in Oregon is 30,000 acres, but there is already another 15-20,000 acres planted with an expectation of 100-150,000 acres in the next “10 to 20 years”, producing “2,000 to 4,000/lbs. per acre” – a five-fold increase in volume (Exhibit 11). Also, see Capital Press articles quoting Hazelnut Growers of Oregon field representative Tim Aman describing the future: “There’s a tsunami of new nuts coming in.” (Exhibit 12). With the industry’s own projections, in the next 120 months, the volume of hazelnuts will go from 38,000 tons to an estimated 150,000 tons – a four-fold increase and climbing each year thereafter.
- b. In a public hand-out given to hazelnut growers on August 7, 2013, Hazelnut Growers of Oregon laid out their “50/50/50 Goal” – to raise their market share from 30% to 50% market share (see Exhibit 13). This market share goal translates into a 66% projected growth in processed hazelnuts (though no time frame is projected), and clearly this new facility is part of that market share growth strategy. The Wilco/HGO merger press release makes clear the new hazelnut plant in Donald will be a new “food-grade facility” that will be a “flagship for the industry.” (Exhibit 14).
- c. The Clemnow TIA for the hazelnut plant (August 24) elects to use client specific data in the Development Trip Generation section. For production and administrative employee trip generations they base the calculations on number of employees x trips

per day to arrive at a total of 90 trips per day. However, for seasonal and distribution truck trips they switch to a “yearly average” model that results in 1.23 + 1.54 trips per day. Then for single-unit trucks they switch back to shipping truck trips per day to arrive at 4. The entire calculation hinges on the “daily deliveries from the facility” only occurring during the eight week harvest season. This approach arrives at a Daily Trip number that is dramatically lower than the Group McKenzie number, and is compounded by not taking into account that the stated goal of the Wilco/OGA merger and construction of this plant: to achieve 50% market share—or a 66% increase in volume—of product and of trucks! Why is that not factored into this TIA?

- d. The Clemnow TIA for Wilco (October 3), in contract, chooses to use the Institute of Transportation (ITE) Common Trip Generation Rates from the Trip Generation Manual instead of the above detailed methodology. It is not surprising, therefore, that the calculated daily trips generated are proportionally different.

#3 Trip Generation Calculation and impact on System Development Charges & Traffic Mitigation:

Trip Generation

It is important to understand the full scope of the proposed use, to assure that the facility is paying “its fair share” of vital new transportation improvements. Underestimating Trip Generation from the proposed development will result in lower SDCs and reduced traffic mitigation.

Specifically, while there are two TIAs in view here, and each were prepared separately and reference a different project (Hazelnut Growers of Oregon and Wilco), what will be constructed is one single building of approximately 240,000 square feet. In fact, the Structural Permit Application submitted to Marion County Public Works (Exhibit 15) says nothing about two project, let alone two buildings: it specifically describes a single 238,472 square foot building at a single address (21256 Butteville Road NE), owned by a single developer (Donald Industrial Park, LLC) and to be constructed by a single contractor (Perlo Construction).

Allowing the trip generation from this “facility” to be broken into two parts based on occupation of the north vs. south portion of the building, when the owner is the same, and the occupant will be the new merged Wilco/HGO corporation is an invitation to significant underestimation of trip generation. This is especially the case when two different methodologies are being used to calculate trip generation!

Hazelnut Growers TIA. As stated above, the Clemnow Hazelnut Growers of Oregon TIA used the Group McKenzie TIA as baseline. Its first option could have been to adjust the Trip Generation data based on the size of the current (119,912 sq. ft. facility) vs. the size originally planned (525,000 sq. ft.), as follows:

Group McKenzie TIA Estimated Generated Trips	2,604
Adjustment for 22% size (525K sq. ft. vs. 119K)	590

Another option would have been to use the above approach, and then adjust for to asserted “seasonality” of semi-trailer truck trips, as follows:

Group McKenzie TIA Estimated Generated Trips	2,604	
Adjustment for 22% size (525K sq. ft. vs. 119K)	590	Adjustment for 8-week “seasonal”
Assume 30% employees	118	118
Assume 80% trucks	472	78
		Total Avg. Weekday Trips = 196

Mr. Clemnow volunteered that Wilco/HGO did not provide the square footage breakdown for the space intended for administration, manufacturing and warehousing, so trip generation using ITE Common Trip Generation Rates was not possible. Wilco/HGO only provide the square footage for intended retail, and their own truck and employee trip data. As stated above, no rationale was provided to validate this data set for use in this process. For production and administrative employee trip generations they base the calculations on number of employees x trips per day to arrive at a total of 90 trips per day. However, for seasonal and distribution truck trips they switch to a “yearly average” model that results in 1.23 + 1.54 trips per day. Then for single-unit trucks they switch back to shipping truck trips per day to arrive at 4. The entire calculation hinges on the “daily deliveries from the facility” only occurring during the eight week harvest season. **This approach arrives at a Daily Trip number of 154.** Both numbers resulting from alternative calculation approaches yield higher outcomes.

These facts raise serious questions about the seasonality (i.e. a two month harvest season), and about “warehousing vs. manufacturing” around which the semi-truck traffic data is built. How is a retail brand that is distributed nationally supported with a two month manufacturing and shipping time frame?

The Clemnow TIAs, by resulting in lower calculated trips generated have SDC assessment costs of \$35,662, compared to \$94,545 by using the 22% proportional costs extrapolated from Group McKenzie TIA.

Also, as stated previously, no account is taken for a planned 66% growth rate based on market share growth targets. Nor, based on additional information from Mr. Clemnow, did it take into account the second building to be developed at the Donald Industrial Park: a warehouse building of equal size to handle Wilco retail store merchandise distribution.

Wilco TIA The October 3 TIA for Wilco makes clear that the Wilco portion will be a warehouse/distribution facility to be occupied by Wilco Farmer's Cooperative. Size of building is 118,560 square feet, and Trip Generation is calculated using ITE "Common Trip Generation Rates – though no explanation is given why a different methodology is used for the Wilco part of the building vs. the HGO part of the building.

Average Daily Trips of 422 is derived by using the Land Use Code for Warehousing (150) which utilized a Trips per Unit factor of 0.32. Using this method peak hour trips of 38 and Average Daily Trips of 422 are calculated. No Trip Distribution detail is provided distinguishing between truck and automobile trips.

In addition to the above, it is worth noting that in 2011 the State of Florida Department of Transportation commissioned a study entitled "Trip Generation Characteristics of Discount/Home Improvement Superstores, Major Distribution Centers, and Small Box Stores" (Exhibit 16, excerpted version), specifically because "the Trip Generation 8th Edition [ITE] "has no data on major single retailer Distribution Centers.....which have impacts on the State Highway System." Additionally, the study states:

Currently, analysts use either the LU 152 High Cube Warehouse or the LU 150 Warehouse category. ITE describes LU 152 as facilities that "are used for the storage of manufactured goods prior to their distribution to retail outlets...often subdivided for individual tenants." These facilities are about the same size as the large single retailer Distribution Centers, but they have a higher storage function resulting in different trip making characteristics. LU 150 rates are averaged from much smaller warehouses, not major Distribution Centers, thus these have different characteristics and a much wider range of rates. Daily rates range from 1.51 – 17.00 per sq. ft., making LU 150 a less reliable predictor of performance.

In the Analysis of Results section the report states:

The primary difference is the weekday daily rate of only 1.44 compared to the 1.86 average from this study. This could be a result of the larger warehouses focusing more on distribution and less on storage. The subtle differences in purpose of the two development types may be enough to encourage this higher rate, and should be noted as the number of trips generated by Distribution Centers may have been underestimated if they were using this category as a guide

These distinctions are important: the primary role for a warehouse is storage of product; the primary role of a distribution center is the nexus of the supply chain, characterized by just-in-time inventory and high product turns. High product turns drive trip generation!

The Structural Permit Application for Wilco portion makes clear this is a warehouse/distribution facility that will be distribution product to Wilco retail stores. It clearly meets the criteria described in the Florida trip generation study re: how distribution centers are different from warehouses.



The site elevation for the Wilco distribution center side shows 16 semi-truck loading doors—clearly a building designed for many daily truck trips.

Of note, the difference between the cited 1.44 and 1.86 rate is not only dramatically higher than the Trips per Unit rate of 0.32 used in the Clemnow TIA, but the variance itself is 29.1%--a variance that itself calls into question accepting the TIA data without further analysis. Only taking this variance into account results in the following:

Clemnow TIA Average Daily Trips using ITE Trip Rates	422
Adjustment of 29.1% for distribution vs warehouse	87
Total Average Daily Trips based on FDOT adjustment	509

The Monetary Assessment in the Wilco TIA is a total of \$97,889. Making the same adjustment from the FDOT study would increase this assessment to 126,375.

Traffic Mitigation

The Group McKenzie TIA, stated that a traffic signal would be required following site development at the intersection of Ehlen Road and Butteville Road, and this was within the Marion County TSP. We now know that what is contemplated for Donald Industrial Park are two buildings totaling almost 240,000 square feet – almost half the size of the original development model. When asked why the traffic signal stated to be required in the Group McKenzie TIA was not included in the Clemnow Associates TIA for the HGO portion of the building, Mr. Clemnow responded “That is a good question.” While the proposed developments at the Donald Industrial Park are less than half the size of the original development model, traffic increase in the past eight years due to the local factors cited above certainly make the case for this traffic signal still being required.

Both Clemnow TIAs, by failing to include the traffic signal at Butteville and Ehlen Roads (described in the McKenzie TIA as “the intersection will require a traffic signal to operate at an acceptable level of service...”) avoids the estimated proportionate share of \$185,000 [As noted: “The traffic signal and necessary supporting roadway approach geometry is identified in the Marion County TSP; however it is not funded. The Marion County TSP estimated cost of the improvements is \$750,000.”]

Conclusion: In the past decade a great deal of development has occurred along the Exit 278 – Ehlen/Yergen/McKay corridor in northern Marion County and very little has been required of the developers to pay for adequate traffic mitigation. The addition of a facility that is principally a distribution center as well as hazelnut warehousing and processing requires a thorough and comprehensive TIA be conducted to assure that current and future traffic impacts are addressed. Allowing two developer-sponsored TIAs using different methodologies in tandem with a single Site Development Plan and single Structural Permit Application enables avoidance of the trip generation dynamics. **This is not only owed to the public who pay taxes and suffer the traffic hazards, but is consistent with the traffic mitigation approval caveat by Commissioner Carlson when the current Comprehensive Plan was approved in 2010.**

Marion County and the City of Donald should apply conditions that require a new comprehensive Transportation Impact Analysis, replacing the 2007 Group McKenzie TIA before approval of any building permits.

We hope such a TIA will take into account all the factors laid forth in this letter.

Sincerely



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Cc: Tom Potter, ODOT
Paul Nelson, Sutherland Development