

W. H. C.

**HERSHNER HUNTER**  
LLP

PAUL V. VAUGHAN  
Direct: (541) 302-5244

December 13, 2005

**BY EMAIL (Stephanie.SCHULZ@co.lane.or.us) AND  
HAND DELIVERY**

Lane County Board of Commissioners  
c/o Stephanie Schulz  
Lane County Land Management Division  
Lane County Courthouse  
125 East 8th Avenue  
Eugene, OR 97401

RE: Country Coach, Inc.  
Urban Growth Boundary Expansion  
PA 1227

Dear Commissioners:

Our office represents Country Coach, Inc. in connection with the above matter.

Last May, the Junction City Planning Commission held a joint public hearing with the Lane County Planning Commission on Country Coach's application to amend the city's Urban Growth Boundary (UGB) to allow Country Coach to expand its factory campus onto the adjacent 74-acre parcel described in the application. After that hearing and after deliberating during two subsequent meetings, the members of the city's planning commission unanimously recommended to their city council that the council approve Country Coach's application. The city's planning commission also recommend approval of the requested zone change from agricultural zoning to light industrial zoning. (The zone change issue is not before Lane County because the subject expansion site is already wholly within the incorporated city limits of Junction City and is subject to city zoning regulations.)

After the city's planning commission forwarded its recommendations to the city council, the city council held its own hearing and after that hearing, the city councilors voted

unanimously to approve the UGB amendment to include within the city's UGB the 74-acre expansion site.

This matter is now before you for your decision on co-adoption of the UGB amendment. Country Coach has fully addressed and satisfied all applicable approval criteria and it is our hope that your board will also unanimously approve and co-adopt with the city the UGB amendment.

We recognize that your planning commission has recommended to you, by a 5 to 3 vote, that you reject the city council's unanimous decision and that you deny the UGB amendment. The principal concerns expressed during deliberations by those members of your planning commission who voted to recommend that the application be denied may be summarized as follows: (1) concerns regarding traffic impacts; (2) a concern regarding air discharges and that there is a lack of data regarding air discharges; (3) a concern that Country Coach doesn't really need the expansion property, or that it needs less than it has asked for; (4) a general reluctance to allow farm land to be converted to an urban use; (5) a concern regarding stormwater discharges; and (6) a concern regarding enforcement of the city's approval conditions.

The purpose of this letter is to briefly respond to each of those concerns.

**1. Traffic Impacts.**

Statewide Goal 12 (the Transportation Goal) states that it is a goal of the state:

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

Goal 12 is implemented through the provisions of the State Transportation Planning Rule (OAR 660, Division 12), which was adopted by LCDC in 1991 (the TPR). That rule requires that comprehensive plan amendments that significantly affect a transportation facility shall assure that allowed land uses are consistent with the identified function, capacity, and performance standards (e.g. level of service, volume to capacity ratio, etc.) of the facility. The TPR specifically allows mitigation measures to be imposed to satisfy the TPR standards.

Section 4.12 of Country Coach's application addresses Goal 12 and TPR consistency in detail. We respectfully request that you review that section in connection with your consideration of this issue. The Traffic Impact Analysis prepared by JRH Transportation Engineering (JRH) shows that with proper mitigation, the proposed UGB amendment will not "significantly affect" (as defined in OAR 660-12-0060) any transportation facility. The mitigation measures that satisfy the TPR standards are set forth in the "Condition of Approval for Transportation" imposed by the city in connection with its approval of the UGB

amendment. Among other conditions set out in that document, the approval condition requires that no manufacturing employee shift changes be permitted to occur during the "Peak Hour" between 4:30 p.m. and 6:00 p.m. A copy of the "Condition of Approval for Transportation" is attached as Exhibit A for your ease of reference. Country Coach is required to record that approval condition as an encumbrance on the expansion site that will run with the land.

At the time of the joint planning commission hearing last May, county staff (Bill Morgan and Jason Lien) and ODOT staff (Tom Boyatt) expressed concerns regarding the terms of the mitigation conditions proposed by Country Coach. After the joint planning commission hearing, Country Coach's representatives worked diligently with city staff, county staff, and ODOT staff through a series of meetings and numerous exchanges of correspondence to hammer out a set of clear approval conditions that everyone agreed would satisfy the Transportation Planning Rule. The final traffic mitigation approval conditions that were acceptable to staff and to Country Coach were finally agreed upon shortly before the city council hearing in August, and those were the conditions that were imposed by the city council in its ordinance approving the UGB amendment. Your planning commission did not have the benefit of the discussion regarding the final traffic mitigation conditions that was had by the city council, and that likely explains the concerns expressed by some members of your planning commission.

In summary, city staff, your transportation staff and ODOT staff have all reviewed and studied the JRH traffic study. No one has challenged the methodology or conclusions of the study. The only issue was the precise terms of the traffic mitigation conditions necessary to demonstrate full compliance with the TPR. City staff, your staff, and ODOT staff have all concluded that with the "Condition of Approval for Transportation" imposed by the city; the proposed UGB expansion is in full compliance with the requirements of Goal 12 and the TPR. We hope that you will follow your staff's recommendation and make that same finding of Goal 12 and TPR consistency in connection with your co-adoption of the city's UGB amendment.

## **2. Air Discharges.**

Your planning commission's concerns regarding air discharges arise in the context of addressing Goal 6 which makes it a *goal* to "maintain and improve the quality of the air, water and land resources of the state."

Commissioner Arkin quoted that goal and argued that it should be applied as an approval standard; that is, unless the applicant proves that application approval will maintain and improve the quality of the air, then the application should be denied. Under the standard urged by Commissioner Arkin, no further industrial expansion would be allowed in the state unless the expansion industry generated no new air emissions. However, that is not the way

the Statewide Goals are to be applied in the context of amending an urban growth boundary or comprehensive plan. ORS 197.340(1) makes clear that the goals are to be given equal weight in any matter in which the goals are to be applied. The statute provides:

(1) The Land Conservation and Development Commission, the Department of Land Conservation and Development, other state agencies *and local governments shall give the goals equal weight in any matter in which the goals are required to be applied.*

(2) The commission and the department shall consider and recognize regional diversity and differences in regional needs when making or reviewing a land use decision or otherwise applying the goals.

(Emphasis added.)

In connection with applying the goals and giving them equal weight, the goals must be balanced; thus the need for economic development (Goal 9) and housing (Goal 10) must be balanced with the other goals which in turn must all be balanced against each other. The goals are not to be considered and applied in a vacuum; otherwise the goal to conserve open spaces set out in Goal 5 would prohibit any further buildings anywhere in the state.

Several of your planning commissioners also expressed a concern that the application does not contain data regarding air discharges that will be generated from activities on the expansion property if the UGB amendment is approved. While that is true, the reason for that is that at the present time, Country Coach cannot know what air emissions will be generated on the expansion property. Until after the UGB amendment to allow the expansion is finally approved, it is premature for the company to move forward with the type of planning and engineering necessary to determine what kinds of air emissions will be generated from the expansion property and the best way to control those emissions. Also, methods, materials, available control technologies and regulations continue to change, so an estimate of air emissions at this point may well not be accurate a year or two from now when the new manufacturing plant is complete. Finally, some of the expansion area will be used to provide land for future expansion down the road. Predicting air emissions from future activities at this point would be nothing more than a wild guess.

Nevertheless, even though Country Coach cannot at this time provide hard data regarding air emissions from future activities on the expansion property, that does not mean that the UGB expansion is not consistent with Goal 6. The necessary regulatory and permitting mechanisms to assure that the goal of maintaining and improving air quality is met are already in place in Lane County. That is why this application is consistent with the goal.

Specifically, the Lane Regional Air Pollution Authority (LRAPA) regulates the Lane County airshed and the industries within it. Its permit system for emissions provides the regulatory

measures that maintain the carrying capacity and quality of the airshed consistent with applicable state and federal environmental quality standards. Country Coach currently operates under a Title V Operating Permit issued by LRAPA that permits and regulates emissions generated by (1) painting and coating of coaches, chassis and coach parts; (2) cabinet finishing; (3) fiberglass lamination; (4) miscellaneous volatile organic compounds (VOC) usage; (5) fiberglass finishing; (6) woodworking (particulate matter control); (7) welding and other Aggregate Insignificant Activities; and (8) roads and parking areas. When Country Coach expands its operations onto the proposed expansion site, it will be required to obtain a modification of its existing permit or a new permit to assure that its operations continue to comply with applicable state and federal air standards that are in place to protect the air quality.

On behalf of LRAPA, Jim Johnson submitted into the record a letter to City Planner Sandra Belson dated June 7, 2005 regarding air discharge issues. A copy of that letter is attached as Exhibit B. In his letter, Mr. Johnson makes clear that Country Coach is required to submit an application to increase emissions beyond those allowed in its current permit and that any increase in emissions will be evaluated using the applicable rules in effect at that time. Mr. Johnson also states that requests for emissions increases of the largest variety require that the facility submit a Prevention of Significant Deterioration (PSD) application and employ Best Available Control Technology (BACT).

In short, the regulatory approval and permitting mechanism already in place in Lane County assures that approval of the UGB expansion is consistent with Goal 6.

### **3. Need for Expansion Property.**

Section 1.0 of Country Coach's application, Section 4.2 of the application (addressing Goal 2 consistency), and Appendices E and R to the application each contain an analysis of Country Coach's business expansion needs and in particular, the need for adjacent land for expansion. The analysis shows that Country Coach must address its business expansion needs by enlarging its manufacturing facilities and that expansion onto adjacent land is unquestionably its best operational option, as well as the best option for the entire community.

We would like to emphasize that Country Coach's need for the expansion area is not based on mere conjecture; it is based on a verifiable history of growth. Country Coach is not a start-up company that does not have a track record and that is making unsubstantiated claims of land need; Country Coach has a track record of strong growth and expansion of its manufacturing facilities. Appendix D to the application contains a short history of the growth of the company. That appendix and the Statement of Jay Howard (Appendix R) show that Country Coach (formerly known as Country Camper) started out in 1973 with two employees manufacturing slide-in campers in a 2,000 square foot facility in Alvadore, Oregon. By 1988, the company had grown to approximately 300 employees with factory and corporate offices in Junction City occupying roughly 100,000 square feet of enclosed space.

By 1996, the company had added another 215,000 square feet of manufacturing space and over 25,000 square feet of office and service space, and employment had grown to approximately 580 active full time employees. At the end of last year, Country Coach's employment had nearly tripled from the 1996 year end number to 1632 active full time employees.

Further evidence of Country Coach's vigorous growth is shown by the number of motorcoaches it has produced each year. For example, in 1989, it produced 112 coaches; by 1998, it was producing 550 coaches per year; and last year, it produced a total of 818 coaches, which was a company record.

When Country Coach chose to locate in Junction City roughly thirty years ago, it would have been difficult to imagine that the company would grow and expand to become one of the largest employers in Lane County. Country Coach would like to continue its growth and success in Junction City, but in order to do so, it needs an adjacent tract of land within the urban growth boundary to meet its immediate and reasonably foreseeable future expansion needs. Approval of the company's application will allow the company to continue to grow in Junction City. We have all seen what happens when a successful company's (or hospital's) need for adjacent land on which to grow cannot be met.

With respect to the suggestion that the urban growth boundary should not be expanded and Country Coach should not be allowed to expand its factory campus onto the proposed expansion property because the company has not accounted for allegedly underutilized portions of its existing campus (including the 17.5 acre parcel added to the UGB in 1999), that issue was addressed in the hearing before the city council and also has been fully addressed in writing by Jay Howard in his letter to you dated December 6, 2005. A copy of Mr. Howard's letter is attached to this letter as Exhibit C for your ease of reference.

In summary, the need for the entire expansion area has been proven and is supported by very substantial evidence and analysis in the record.

#### **4. Conversion of Farm Land to an Urban Use.**

The desire expressed by some of your planning commissioners to conserve farm land and limit the conversion of farm land to a non-farm use, including an urban industrial use, is consistent with the statewide goal of conserving farmland. However, notwithstanding the general goal of conserving farm land, the applicable state statutes and LCDC administrative rules as well as the Goal 3 policies set out in the county's Comprehensive Plan do allow for the conversion of farmland to an urban use as long as the applicable state criteria are satisfied. The criteria for expanding an urban growth boundary by taking an exception to the farm goal pursuant to the Goal 2 process and by satisfying the rural to urban conversion factors set out in Goal 14 are spelled out in detail in Country Coach's application. Although the application is necessarily lengthy due to the sheer number of criteria that must be

addressed, it is clear from a careful review of the application and supporting evidence that all of the applicable criteria are met in this case. Since Country Coach has satisfied all of the applicable criteria for expanding the UGB as proposed, the county should co-adopt Junction City's decision to amend the UGB.

**5. Stormwater.**

Some planning commission members also expressed a concern regarding stormwater discharges. Attached to this letter as Exhibit D is a copy of a letter dated December 5, 2005 from Ken Schaudt of SS & W, Inc. that addresses stormwater issues. Attached to this letter as Exhibit E is a copy of a letter from Mike Leighton, Junction City's City Administrator, that also addresses stormwater issues. Those letters adequately respond to the stormwater discharge concerns raised by your planning commission and demonstrate that post-development stormwater flows can be adequately mitigated on site in compliance with applicable federal, state and local laws and regulations.

**6. Enforcement.**

Finally, a concern was raised by some of your planning commissioners regarding enforcement of the conditions of approval imposed by the city. That concern is not justified because the city as well as the county have ample powers to enforce the approval conditions.

With respect to city enforcement of the conditions it imposed as part of its approval of the UGB expansion, it should be noted that all property in the city is subject to the use restrictions imposed by the applicable zoning district, plus any other restrictions that may have been imposed in connection with a development approval. Enforcing the zoning district and condition of approval use restrictions on the County Coach expansion property is not any different than enforcing applicable use restrictions against any other property in the city. The city has available to it ample enforcement powers and the penalties for non-compliance can be severe.

Section 110 of the city's zoning ordinance describes the city's enforcement powers and makes clear that in addition to being a violation of the zoning ordinance, the failure to comply with the conditions of approval of a land use decision is a nuisance. Section 120 of the zoning ordinance provides that noncompliance is a misdemeanor subject to a fine of \$250 per day and that each day that a violation continues is a separate offense. Furthermore, as noted above, Section 110 of the zoning ordinance provides that the penalties and remedies provided under the city's nuisance ordinance may be imposed *in addition to* the penalties and remedies provided in the zoning ordinance. The city's nuisance ordinance (Ordinance 591, Section 22) provides that violation of the ordinance is a misdemeanor and punishable by up to thirty days in jail and a fine of no less than \$250.00 nor more than \$1,000.00, plus court assessments. The nuisance ordinance also provides in Section 24 that *each day's violation is*

*a separate offense* and that the imposition of a penalty does not relieve a person of the duty to abate the nuisance.

Since traffic that will be generated by development on the expansion property will impact county transportation facilities, we understand that your staff has recommended that you also impose as a condition of your co-adoption of the UGB amendment the "Condition of Approval for Transportation" imposed by the city in connection with its approval of the UGB amendment. Country Coach has no objection to the county also imposing the "Condition of Approval for Transportation" in connection with the county's approval of the requested UGB amendment.

The county also has the power to enforce conditions imposed in connection with its land use approvals. Specifically, Lane Code 16.006 requires compliance with development conditions of approval and Lane Code Chapter 5 contains very broad enforcement provisions. Penalties of up to \$1,000 per day may be imposed, plus additional assessments, fees and costs.


In short, there are ample incentives for Country Coach to comply with the approval conditions, and there are ample enforcement tools available to the county if it does not. Moreover, with respect to conditions that require setbacks, buffer zones and similar requirements, those conditions must be satisfied as part of development approval, or the city will not issue the necessary permits for development.

**7. Conclusion.**

Country Coach has demonstrated that the proposed UGB expansion is consistent with all applicable approval criteria and requests that Lane County co-adopt the city's decision to expand the city's urban growth boundary to accommodate Country Coach's well documented expansion need.

Respectively submitted,

HERSHNER HUNTER, LLP

By:   
Paul V. Vaughan

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**Junction City City Council**  
**CONDITION OF APPROVAL FOR TRANSPORTATION**

**RECITAL:**

The conditions of approval described below are necessary to satisfy the requirements of the State of Oregon Transportation Planning Rule and are adopted by the City of Junction City ("City") as a restriction on the use of the UGB expansion area described in the Country Coach, Inc. ("Country Coach") plan amendment and rezoning application (the "Subject Property").

**CONDITIONS:**

1. **PERMITTED USES RESTRICTION.** The Subject Property shall be zoned Light Industrial (M1) under the Junction City Zoning Regulations. All uses permitted within the City's Light Industrial zone shall be allowed on the Subject Property provided that such uses are consistent with the following description of "Manufacturing Facilities" set out in the *ITE Trip Generation Manual, 7<sup>th</sup> Edition*:

"Manufacturing facilities are areas where the primary activity is the conversion of raw materials or parts into finished products. Size and type of activity may vary substantially from one facility to another. In addition to the actual production of goods, manufacturing facilities generally also have office, warehouse, research and associated functions."

And provided further that no buildings shall be constructed on the Subject Property within 80 feet of the easterly boundary of the Subject Property. No new wetlands shall be constructed within 40 feet of the easterly boundary of the Subject Property.

Without limitation of the foregoing, the following land uses shall specifically be allowed on the Subject Property:

- 1.1 Motor home/recreational vehicle manufacturing.
- 1.2 Offices, warehouses, and research, development and testing facilities operated in conjunction with and in support of motor home/recreational vehicle manufacturing on the Subject Property.
- 1.3 Facilities for the service and repair of motor homes and recreational vehicles conducted in conjunction with the manufacture of motor homes/recreational vehicles on the Subject Property.
- 1.4 Wetland mitigation areas, if any, as are required to permit development of the Subject Property.

1.5 Utility facilities, roads, parking lots, landscaping and similar uses required for the use and development of the Subject Property.

The land use restrictions described in this Section 1 that restrict the use of the Subject Property from certain uses that are otherwise permitted in the City's Light Industrial zone are hereafter referred to in this document as the "Land Use Restrictions."

The Land Use Restrictions shall be and are hereby applied to the Subject Property and will be recorded in a covenant to run with the property. Any amendment of or removal of the Land Use Restrictions applicable to the Subject Property shall require City approval, and shall be processed by the City similar to an application for a zone change.

## 2. TRAFFIC MITIGATION/TRANSPORTATION DEMAND MANAGEMENT.

2.1 The conditions set out in this Section 2 are collectively referred to in this document as the "TDM Restrictions."

2.2 The following definitions apply to this section:

- a. "Peak Period" means 4:30 p.m. to 6:00 p.m.;
- b. "Shift Change" means the normal work start or stop time of manufacturing employees.
- c. "Country Coach's Other Property" means any other real property (i) that is owned or leased by Country Coach (as the tenant); (ii) that is located within one-quarter mile of the boundaries of the Subject Property; and (iii) that is property on which Country Coach conducts manufacturing operations.

2.3 The permitted uses on the Subject Property, unless modified as provided in Section 3, below, are restricted as follows (the "Shift Change Restriction"):

No Shift Change on the Subject Property shall be allowed during the Peak Period.

2.4 Country Coach shall not allow a Shift Change on any of Country Coach's Other Property where such Shift Change is within 30 minutes of (before and after) any Shift Change on the Subject Property.

EXAMPLE: Assume that Country Coach has two afternoon Shift Changes on the Subject Property; one at 4:00 p.m. and one at 4:20 p.m. Under such circumstances, Country Coach would not be permitted to schedule a shift change on Country Coach's Other Property at any time from 3:30 p.m. to 4:50 p.m.

2.5 As a condition for development of the Subject Property, Country Coach, or any other business established on the Subject Property, shall agree to exert reasonable efforts in good faith to minimize traffic impacts on the intersections described in Section 3, below, by

encouraging carpooling among its employees and the use of public transportation by its employees, by providing on-site facilities for pedestrians and bicyclists, and by staggering the shifts of its employees.

3. MODIFICATION OF THE TDM RESTRICTIONS. The TDM Restrictions shall be and are hereby applied to the Subject Property, will be recorded in a covenant to run with the land described herein and may only be modified by the City upon application of the owner of the Subject Property demonstrating through submittal of an approved Traffic Impact Analysis that the uses on the Subject Property (with or without other proposed mitigation measures) will not “significantly affect” (as that term is defined in OAR 660-12-0060(2)), the following intersections:

- 3.1 Highway 99 and 1<sup>st</sup> Street (River Road);
- 3.2 Highway 99 and Clear Lake Road;
- 3.3 Beacon Drive and River Road; and
- 3.4 Highway 99 and 6<sup>th</sup> Avenue.

Any such application may be processed concurrently with other development applications of the owner of the Subject Property and shall be processed under the City’s Type III Procedure described in Section 111 of the Junction City Zoning Ordinance (or comparable procedure requiring a quasi-judicial hearing at least before the City’s planning commission), with notice provided to Lane County and the Oregon Department of Transportation and any other parties entitled to receive notice.

EXAMPLE I: Assume that Country Coach seeks to build a new manufacturing facility on the Subject Property and that the proposed facility will occupy approximately one-third of the area of the Subject Property. In connection with its application for Site Review pursuant to Section 11 of Appendix H of the Junction City Zoning Ordinance, which application will address such issues as the location of existing and proposed access points, the number and direction of lanes to be constructed on driveways (including striping plans), all planned transportation features, and parking and internal circulation plans including walkways (which application is processed as a Type II Procedure), the applicant may include as part of that application a request that the Shift Change Restriction not apply to the proposed development, which application would be processed as a Type III Procedure. If Country Coach is able to prove that the traffic impacts associated with the proposed development will not “significantly affect” the intersections described above, then the Shift Change Restriction would be suspended and would not be applicable to the Subject Property until such time as further development of the Subject Property occurred, in which case all of the Subject Property would again be

subject to the Shift Change Restriction unless it were again established (through a Type III Procedure) that the new development together with the existing development on the Subject Property will not "significantly affect" the intersections described in this Section 3.

EXAMPLE II: Assume that full development of the Subject Property requires that 14 acres of the Subject Property be reserved and used for wetland mitigation, thus reducing the area of the Subject Property available for Light Industrial use to 60 acres. If the owner were able to prove by an application filed under a Type III Procedure that full development of the 60 acres will not "significantly affect" the intersections described above, then the Shift Change Restriction would be removed as a restriction on the Subject Property provided that 14 acres of wetland mitigation areas were actually developed on the Subject Property.

Junc 7, 2005

Sandra Belson  
City Planner  
City of Junction City  
P.O. Box 250  
Junction City, OR 97448

Re: Country Coach Urban Growth Expansion Application

Dear Ms. Belson:

This letter is a response to your request for Lane Regional Air Pollution Authority (LRAPA) to comment on the Country Coach urban growth boundary (UGB) expansion proposal. LRAPA typically does not comment on future projects of this nature for which a permit application has not yet been submitted. Therefore, the statements included with this letter are necessarily general and shall not be deemed to be an approval by or commitment from LRAPA to issue any modification to the existing permit for Country Coach with respect to any industrial operations that may in the future be proposed on the expansion site.

[Note: There is a pending permit modification on the existing Country Coach facility that is the subject of a July 13, 2005 public hearing by LRAPA at the Junction City Hall. The draft permit and review report illustrate the technical evaluation and regulatory requirements by LRAPA in response to a specific permit application by Country Coach.]

#### **Current Permit**

Country Coach has been issued a Title V Operating Permit by LRAPA and an electronic copy of the permit and review report (which serves as the statement of basis) has been sent separately via email. The permit contains federal standards for Hazardous Air Pollutants (HAPs) for cabinet finishing and fiberglass manufacturing. These standards limit the HAP content in solvents, resins and gelcoats used at the facility as well as specify work practices to minimize emissions. The permit currently contains all the regulations for which LRAPA can legally regulate the facility with regard to HAPs. You requested specific information on Styrene. Styrene is a HAP and is regulated by the federal standard for fiberglass manufacturing. Styrene is also a Volatile Organic Compound (VOC) and as such is currently regulated by the VOC limits in the permit.

#### **Future Increases**

Country Coach is required to submit an application to increase emissions beyond those allowed in their current permit and any increase in emissions will be evaluated using the applicable rules at that time. Requests for emissions increases of the largest variety require that the facility submit a Prevention of Significant Deterioration (PSD) application and employ Best Available Control Technology (BACT).

Sandra Belson  
City of Junction City  
June 7, 2005

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**Compliance History**

You requested information regarding the facility's compliance history with LRAPA. Four notices of non-compliance were issued to the facility by LRAPA during 2000-2005. The civil penalties for these violations ranged from \$1,200 to \$11,641. Two of the violations were considered moderate and two were considered minor; none of the violations were considered major.

**Condition of the Lane County Airshed**

LRAPA monitors the ambient levels of particulate matter, ozone, nitrogen oxides, and carbon monoxide at numerous locations throughout Lane County. Based upon the results of this monitoring, this area meets the federal ambient air quality standards for all of these pollutants.

**Transportation Sources**

LRAPA rules require that a facility proposed for construction which will have 500 or more parking spaces apply for and receive an Indirect Source Construction Permit (ISCP) from LRAPA. The application for this permit must include an analysis of the air quality impact of the motor vehicle traffic related to the facility. The Rules provide for mitigating measures if the carbon monoxide standard is threatened by the increased traffic.

We hope that this information satisfies your request for information regarding the proposed future expansion at Country Coach in Junction City. If you have any further questions, please call Merlyn Hough, LRAPA Operations Manager, at 736-1056, ext 230.

Sincerely,

James R. Johnson  
Interim Director

JRJ/MLH/bp



Jay L. Howard  
President

December 6, 2005

**BY FAX 682-3947 AND  
FIRST CLASS MAIL**

Lane County Board of Commissioners  
c/o Stephanie Schulz  
Lane County Land Management Division  
Lane County Courthouse  
125 East 8th Avenue  
Eugene, OR 97401

RE: Country Coach, Inc.  
Urban Growth Boundary Expansion  
PA 1227

Dear Commissioners:

The purpose of this letter is to address the comment submitted by 1000 Friends of Oregon to the effect that the urban growth boundary should not be expanded and Country Coach should not be allowed to expand its factory campus onto the proposed expansion property because Country Coach has not accounted for allegedly underutilized portions of Tax Lots 202, 102 and 200 on Assessor's Map 16-04-05. 1000 Friends' claim is incorrect as we have already fully addressed that issue both in the written record and orally during the hearing before the City Council of Junction City. However, because some of the explanation was provided orally at the public hearing before the city, I wanted to specifically address the issue raised by 1000 Friends in a separate letter for your consideration.

Attached to my letter is a copy of a property diagram that shows the current Country Coach factory campus on East 1<sup>st</sup> Avenue (River Road) in Junction City. That map also shows the proposed expansion area.

Tax Lot 102 is owned by Country Coach's parent corporation, National RV Holdings. The southerly portion of Tax Lot 102 that is still being used for agriculture and that has not yet been developed by Country Coach consists of the approximately 17.5 acre parcel that was added to the urban growth boundary in 1999. The balance of Tax Lot 102 is for all practical purposes fully built out with manufacturing buildings, storage areas and parking areas used by Country Coach

EXHIBIT C  
Page 1 of 4

THE WORLD'S FINEST MOTORCOACHES  
135 East First Avenue | PO Box 400 | Junction City, OR 97448

Phone- (541) 998-3720  
Fax- (541) 998-9273

as part of its current factory operations. It is neither available nor suitable for the company's proposed expansion.

Country Coach also leases a portion of its factory campus from a third party. The leased portion consists of (1) the property north of River Road and shown on the enclosed map, (2) Tax Lot 202, and (3) the northerly portion of Tax Lot 200. The portion of the factory campus leased by Country Coach from the third party is built out and is unavailable for Country Coach's proposed expansion. Also, contrary to 1000 Friends' claim, the southerly portion of Tax Lot 200 is neither owned by nor leased by Country Coach. Also, the owner of that southerly portion of Tax Lot 200 is unwilling to lease that property to Country Coach on any reasonably acceptable terms. Therefore, that property is not available for the proposed expansion.

With respect to the presently undeveloped 17.5 acre property that was added to the urban growth boundary in 1999, we have previously explained why that property has not yet been developed and utilized by the company and also why Country Coach needs the additional expansion area as requested in the present application.

As I explained in my statement attached as Exhibit R to the application, in 1998, the company was producing 550 coaches per year, which represents a 500% increase from the number of coaches produced just nine years earlier in 1989. That 500% increase in production was one reason justifying the company's request to expand the urban growth boundary to add the 17.5-acre expansion site in 1999.

Unfortunately, not long after the urban growth boundary expansion was approved in 1999, demand for the company's products started to fall. As is the case with almost any manufacturing enterprise, the production of high-line motor coaches is subject to economic cycles and other factors that affect product demand and sales. By 2002, the company's production had fallen from the 1998 level of 550 units to only 416 units. The short-term drop in the demand for the company's products from 1998 to 2002 adequately explains and justifies why the company has not yet expanded onto the 17.5-acre site.

However, our application also shows that from 2002 to 2004, the company's production and employment levels have nearly doubled. That was due to a significant increase in the demand for our products. Also, our application shows that despite some up and down cycles over the years, the company has over the longer term always shown significant growth. Exhibit D to our application describes the company's growth in more detail.

Given the near doubling of the company's employment and production from 2002 to 2004, our near term growth projections based on past growth results, and our long term history of growth, we have established our need for the entire 74-acre expansion site. I would also like to point out that the demographics appear good for future product demand. There are a sizeable number of "baby-boomers" who are entering or nearing retirement age, and there is a good demand for our products by such persons.


Finally, we readily admit that the entire 74-acre expansion site will not be immediately needed by Country Coach for its first phase of the expansion which includes the proposed 300,000 plus



square foot manufacturing building. That building and the associated storage areas, areas for maneuvering materials and finished products in and out of the building, parking areas, road and utility infrastructure, setbacks and required "buffer" areas, stormwater detention facilities, and wetland areas may use about half of the 74 acres. However, given the company's historic growth and expansion, we believe it is unreasonable to expect our company to make an enormous investment into a new manufacturing facility adjacent to our current campus unless we are assured that our reasonably anticipated future expansion needs will also be met on the expansion site.

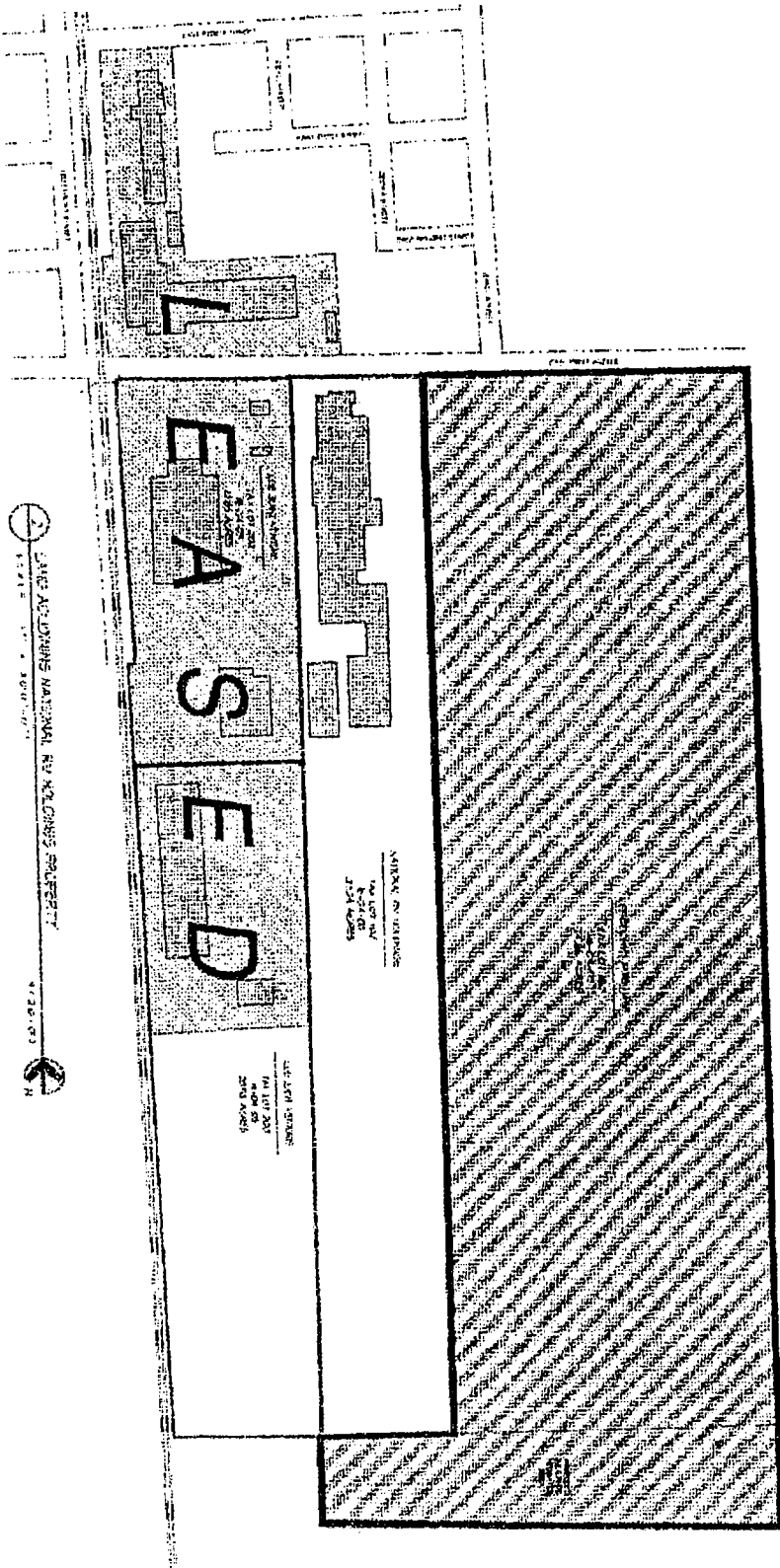
Thank you for your consideration.



Sincerely,

A handwritten signature in black ink, appearing to read "Jay Howard", with a large, stylized flourish at the end.

Jay Howard  
President, Country Coach, Inc.

 **COUNTRY COACH**  
 THE WORLD'S FINEST MOTORCOACHES



 CAMP ARVIDING NATIONAL RECREATION AREA  
 1922-03 

December 5, 2005

Job #04-6090

Lane County Commissioners  
c/o Stephanie Schultz, County Planner

**RE: Proposed Comprehensive Plan Amendments and Zone Change for Country Coach (CPA-05-1 / RZ-05-2)**

To all Commissioners:

Please accept this letter into the record for the above referenced Country Coach urban growth boundary plan amendment / zone change. This letter is sent to you with the intent that it be included in your packet prior to the December 14, 2005 hearing. Comments related to stormwater issues were made during the Lane County Planning Commission deliberations regarding whether development on this proposed Country Coach property would increase flooding within the City of Junction City. It is best to clarify a response on paper prior to your hearing.

The City of Junction City, in their Public Works Design Standards manual, devotes a chapter to the requirements of Stormwater Management. It is comprehensive, and covers applicability, terminology, standard construction and details, materials and alternate methods, special items, and general design considerations.

Division 3.18 relates to Detention Facilities, where required, and gives allowable runoff (outflow) rates, detention facility siting, and design. It is notable that, under detention basin storage capacity, the City of Junction City requires the difference between a 5-year storm (under pre-development conditions) and a 25-year frequency storm (under developed conditions) to be detained on site. This is a standard much higher than the City of Eugene, which currently requires no detention under developed conditions.

On March 8, 2005, our firm met with Junction City's Administrator, Engineer, and Planner to discuss potential solutions to several problems. We proposed a storm water system improvement that would utilize on-site cleansing, detention, and possible re-routing of part of the heavy storm water flow that is problematic for the City. The plan would use vegetated swales in the parking lots, connected to drainage basins graded for maximum detention, and ultimately connected (with a pre-designated quantity) to an approved stormwater discharge location.

The proposed stormwater improvements would have a recognized impact in minimizing future flood events within the City. Upon presentation of the plan, Junction City's Administrator felt encouraged enough to offer the City's support for the plan during future storm water permit processes. (Please note, we have included a letter from Mike Leighton, City Administrator, referencing our past discussions with Junction City regarding this property expansion.)

It is also noteworthy to point out that approximately 8.4 acres of the land proposed for purchase by Country Coach is to be dedicated for wetlands mitigation. Although considered a "seasonal" wetland, it could also be utilized as a drainage basin, following a series of pre-treatment swales. Terra Science, Inc. of Portland is working with Country Coach to delineate, plan, and propose solutions for overall site drainage goals.

As you know, Lane County requires Facility Permits for any construction within the right-of-way of roads under County jurisdiction, including drainage facilities. County roadside ditches are not to be used as channels for water diverted from private property, except through a Facility Permit issued from the Dept. of Public Works. Stormwater management plans shall be reviewed during site review, with Lane County staff allowed to pursue any additional information.

Our firm has worked through this process on other projects, and feels strongly that Country Coach's application can be accomplished through typical solutions which City, County, and State regulations allow. Thank you for your consideration regarding this application.

Sincerely,

SS&W Inc. - Engineers



Kenneth D. Schaudt  
Project Coordinator

# CITY OF JUNCTION CITY

680 GREENWOOD • P. O. BOX 250  
JUNCTION CITY, OREGON 97448-0250  
TELEPHONE 998-2153 • FAX 998-3140

December 5, 2005

To Whom It May Concern:

Re: Country Coach Expansion

Regulating Body:

This correspondence is in support of the Country Coach expansion project.

The City of Junction City has been involved in the planning of this project from the beginning. The City's Engineering firm, Westech Engineering and its building inspector, Clair Company, have reviewed and approved the plans for this needed expansion.

We have particularly been involved at both the staff and consultant level with the storm water drainage issue due to building and parking issues in the plan. We are most satisfied with Country Coach's plans with regard to this issue. Construction related to Country Coach's plan would have no adverse impact upon storm water drainage for the City of Junction City.

If I can provide further comment on this project please feel free to request it at your convenience.

Sincerely,



Mike Leighton  
City Administrator

C. file

