



RESERVES STEERING COMMITTEE MEETING #14 ANNOTATED AGENDA

Date: May 13, 2009
Time: **9:00 a.m. to 12:00 p.m.**
Place: Council Chamber, Metro Regional Center
600 NE Grand Avenue, Portland

- I. Welcome and Introductions (9:00 – 9:15)
Debra Nudelman, facilitator
 - Agenda review
 - Adoption of April 8, 2009 meeting minutes
 - Updates since last meeting*Packet materials: April 8, 2009 meeting minutes.*
- II. Public Comment (9:15 – 9:25)
- III. Economic and Market-Based Housing Choice Considerations (9:25 – 9:50)
Craig Brown/Jerry Johnson
 - Discussion of housing choice policy issues and implications for reserves process*Desired Outcomes: Informational presentation.*
Packet Materials: None.
- IV. Rural and Urban Reserve Candidate Areas For Further Evaluation (9:50 – 10:20)
Core 4 and staff
 - Overview of Phase 3 public comment
 - Core 4 decision on rural and urban candidate areas*Desired Outcomes: Steering Committee understanding of Phase 3 public comment and Core 4 decision on candidate areas.*
Packet materials: Phase 3 Public Involvement Initial Summary.
- V. Break (10:20 – 10:35)
- VI. Reserves Milestones Timeline (10:35 – 11:15)
Core 4 and staff
 - Presentation of revised reserves milestones timeline and next steps in evaluation process*Desired Outcomes: Steering Committee understanding of Core 4 decision on timeline and next steps.*
Packet materials: Memo on timeline update; note revised upcoming agenda items on reverse of this agenda.

VII. Making The Greatest Place Updates (11:15 – 11:45)

Metro Staff

- Overview of preliminary Residential Urban Growth Report and Housing Needs Analysis
- Making The Greatest Place timeline and next steps
- Clarifying questions from Steering Committee

Desired Outcomes: Steering Committee overview and understanding of preliminary Residential Urban Growth Report, Housing Needs Analysis and next steps in policy discussion.

Packet Materials: Executive summaries of preliminary Residential Urban Growth Report and Housing Needs Analysis.

VIII. Next Steps and Wrap-up (11:45 – noon)

Debra Nudelman

- Upcoming meetings & topics
- Confirm agreed-upon next steps
- Meeting summary

IX. Adjourn

Reserves Steering Committee Upcoming Agenda Items

Draft – subject to change

June 10

- Begin discussion of urban and rural reserve suitability evaluation information
- Making The Greatest Place update: local aspirations, preliminary employment urban growth report

July 8

- Continued discussion of urban and rural reserve suitability evaluation information
- Making The Greatest Place update: status of policy and investment decision discussions

August 12

- Continued discussion of urban and rural reserve evaluation information
- Begin discussion of preliminary urban and rural reserve area recommendations

September 9 *(please hold extended meeting time – 9 am to 4 pm)*

- Presentation of rural and urban reserve recommendations

October 14 *(please hold extended meeting time – 9 am to 4 pm)*

- Complete discussion of proposed urban and rural reserve areas
- **Recommend preliminary urban and rural reserve areas to Core 4 [Phase 3 completion]**

The committee will receive regular updates on Making The Greatest Place activities

Phase 4 milestone: Reserve areas recommended via intergovernmental agreements – Dec. 2009

Phase 5 milestone: Metro designates urban reserves; counties designate rural reserves – May 2010

**RESERVES STEERING COMMITTEE
DRAFT MEETING SUMMARY**

April 8, 2009; 9:00 am – 12:00 noon
Metro Regional Center, Council Chambers

Core 4 Members Present: Washington County Chair Tom Brian, Multnomah County Commissioner Jeff Cogen, Metro Councilor Kathryn Harrington, Clackamas County Commissioner Charlotte Lehan.

Reserves Steering Committee Members Present: Chris Barhyte, Jeff Boechler, Craig Brown, Denny Doyle, Bill Ferber, Kathy Figley, Karen Goddin, Kirk Jarvie, Keith Johnson, Tim Knapp, Greg Manning, Mary Kyle McCurdy, Alice Norris, Lainie Smith, Greg Specht, Dick Strathern, Bill Tierney, Richard Whitman, Jerry Willey.

Alternates Present: Ron Carley, Bob Clay, Doug Decker, Jim Johnson, Jim Kight, Jim Labbe, Laura Masterson, Melody Thompson.

Facilitation Team: Debra Nudelman, Aurora Martin.

I. WELCOME AND INTRODUCTIONS

Deb Nudelman called the meeting to order at 9:07 a.m., welcomed everyone, made brief introductory remarks, and asked attendees to introduce themselves. She provided an overview of the agenda and meeting materials.

Deb reminded committee members that at the March Steering Committee meeting, they had been asked to speak with their constituents to obtain feedback about the proposed urban and rural reserve candidate areas. There will be time for a brief check-in with the committee members to hear that feedback. Deb noted that the hope is this will provide a regional perspective. She said after everyone has provided their feedback, she would ask for concurrence on the proposed urban and rural reserve candidate areas for further evaluation. She reminded the Steering Committee members that this is not a decision-making body. Committee members are providing their input, and the maps going out for public comment will not necessarily be changed from the ones provided today.

Deb thanked Metro for providing new microphones. She noted that if the room fills to capacity, there is an overflow room for additional people. Deb reminded the Steering Committee members of meeting ground rules. She then asked for comments or amendments to the March meeting summary.

Karen Goddin noted that she did not attend the March meeting and that Chad Freeman attended in her place.

Kathy Figley noted that she was unavailable as well and Mayor Thompson filled in for her.

Jim Labbe asked that his comments on page 4 be revised to reflect the investment in the Johnson Creek Watershed and the concerns raised in the letter from the Johnson Creek Watershed Council.

There being no other modifications, the summary was adopted as final pending the agreed to revisions. Deb then asked for updates since the last Steering Committee meeting.

Karen Goddin noted that she provided a letter to the Metro Reserves Steering Committee and Core 4 Members regarding the *Economic Mapping Project*. This is a recently initiated pilot project that will take some variables such as taxes and wages and match those variables with industrial classification codes in the area to identify the economic value of the land.

Craig Brown reported that he and Jerry Johnson have prepared a presentation for the Steering Committee on long-range housing needs. This report will go hand in hand with the Group Mackenzie report. He noted that they will not be arguing for a specific amount of growth or development. They believe housing should not be focused only in urban centers but also in towns near jobs. They are in favor of well-balanced, reasonably priced housing. Craig does not think all the projected growth will be supported by refill or infill. He noted that they were originally asked to present at the March 16 meeting and have been postponed twice. They believe this topic deserves time to present to the Steering Committee and they look forward to providing it at the May meeting.

Councilor Harrington clarified that creating the agendas for the Steering Committee is a Core 4 decision, not just a Metro decision. Due to the nature of the milestones the group faces, the Core 4 wants to ensure that this group has an opportunity to share its comments on the proposed candidate study areas, as well as have time to discuss those comments.

II. PUBLIC COMMENT FOR NON-AGENDA ITEMS

Dana Krawczuk, Ball Janik LLP, submitted written testimony in the form of a letter regarding *RSC April 8th Recommendation – Request to Designate the SW Corner of Highway 26 and Highway 212 as an Urban Reserve Candidate Area*. This is a reiteration of her request from the March meeting on behalf of her clients to consider the area located at the southwestern corner of the intersection of Highway 26 and Highway 212 as an urban reserve candidate area. They believe it is too early to take this area off the table for consideration as this area needs to be able to urbanize in the future. Dana noted that the City of Sandy submitted a letter earlier this week arguing why the area should be a rural reserve candidate area. Dana said they presented some good reasons for the area being a rural reserve candidate area, however that is irrelevant for looking at it as an urban reserve candidate area as well. Dana thinks both objectives can be accomplished.

Councilor Harrington noted that this is a regional committee and the request is very specific to a particular county. She asked if this request has been discussed with the county coordinating committee.

Dana Krawczuk responded that the Clackamas County Policy Advisory Committee recommended this area based on a 10-year old intergovernmental agreement with the City of Sandy, however the Clackamas County Board declined to include it as a proposed urban reserve candidate area.

Burton Weast, Executive Director of the Clackamas County Business Alliance (CCBA), said that he has been working with Clackamas County over the last few months, and the CCBA supports the candidate urban reserve areas. They ask that the Core 4 study three additional areas as candidate urban reserves. These are areas identified as being suitable as major employment lands. Not to include these areas for study could cause difficulties when proposing reserve recommendations to

LCDC and the courts. Burton noted that over 60% of Clackamas County residents work outside the county, the results of which can be seen in the congestion of Highway 217 and the Sellwood Bridge, and he thinks that Clackamas County deserves some extra consideration for employment lands.

James Cox, attorney for Pete's Mountain Water Company, submitted a letter dated April 3, 2009 regarding *Rural Reserve Candidate Area Pete's Mountain*. In response to Councilor Harrington's question, he said they have not worked with Clackamas County as they did not hear about this process until right before the March meeting. James said they are concerned about the area of Pete's Mountain being considered as a candidate rural reserve. Pete's Mountain Water Company is an existing public utility providing water in the Pete's Mountain Area. They have miles of pipeline and significant infrastructure already there and have been providing water for a number of years. James noted that the area does not meet the statutes and regulations for inclusion as a rural reserve.

Gordon Root, Root Holdings, LLC, presented the bound document titled *Newland: Perfectly Suited for "A Great Community"* he prepared. Gordon noted this area is outlined on page three of the document. Gordon noted that he would like to have the potential of urban development in the area. The Newland area has millions of square feet of employment lands and the area can support more housing for a mix of housing options. Gordon believes this is a suitable area that should be considered as an urban reserve.

Lynn Fox, West Linn citizen, addressed the information Mr. Root submitted at the March meeting. Gordon said at that time that sewer service had been extended across the river, however it is Lynn's understanding that the City of West Linn does not provide sewer service across the river. This is a conflict that needs to be addressed. Lynn thinks this group is trying to do something very complicated very quickly, and that we should try to slow down the process.

Teri Cummings, West Linn City Council, noted that she has worked with the Clackamas C4 group and is a participating member of the Clackamas County Policy Advisory Committee PAC. Maps were distributed that illustrate the City's concern. The County maps show the lands adjacent to West Linn as candidate urban reserves when the City has repeatedly requested those lands be candidate rural reserves. She noted that the Stafford area is severely constrained by slopes and she believes that most of the Stafford area qualifies as a candidate rural reserve due to both agricultural suitability and natural landscape features. The City asks that the Stafford area be put back on the map for rural consideration.

Tom Hughes provided a summary of his written testimony in *Support of Inclusion of Additional Lands for Consideration as Urban Reserves Submitted on Behalf of Chris Maletis and Tom Maletis*. Tom supports the findings of the business community that the parcels of land owned by the Maletis brothers adjacent to Interstate 5 and State Highway 551 near Wilsonville should be considered as an urban reserve candidate area. They are able to present additional information from engineering studies indicating the cost of providing services to the area.

Alan Rosenfeld, West Linn citizen, provided feedback on the Stafford area. He referred to the map distributed by the City of West Linn. He noted this is an area dear to the hearts of the people living there. There has been longstanding opposition to the Stafford basin being an urban reserve and citizens opposed that designation three times, the first being in 1993. The concerns then were the

same as they are now, including the high cost of providing infrastructure. Alan is concerned that the Steering Committee is spinning its wheels just to come to the same answer.

III. 40-50 YEAR POPULATION AND EMPLOYMENT RANGE FORECAST

John Williams provided a brief overview of the March 2009 draft of the *20 and 50 year Regional population and employment range forecasts* to make sure everyone is aware of the information. It was distributed through email, is available on the Metro website, and was distributed in the meeting packet. The meeting packet also includes the *Framing Growth Forecasts in the Context of Urban Reserves* document to provide some context for the forecasts.

This forecast is for the seven-county statistical area and will be narrowed as the conversation moves forward. The forecast is a range so it allows for consideration of a number of possible outcomes, and also lays out a rationale for how it was created and how it will be talked about. This document also has a range for employment. Details about the economic employment forecast will be available at upcoming meetings.

John Williams said now that the 20 and 50 year population and employment forecasts have been released, the next steps include working on the economic and employment trends report that will be issued this month to discuss short and long term implications of these trends. Staff is also putting together an appendix to the population and employment range forecasts that explains in more detail what went into these numbers. There will be more detailed discussions at other meetings, however if Steering Committee members would like more detail at this point, they should feel free to contact him.

Greg Manning observed that the range of outcomes for employment in 2060 is much wider than the range for population and households. The employment range forecast is a huge interval. He would hope that the interval would be narrowed significantly.

John Williams responded that it is a wide interval, but it is reasonable due to the high uncertainty for the future. He noted that the employment trends report will have a good discussion about the upcoming policy choices and some of the drivers that make up the forecasts.

IV. RURAL AND URBAN RESERVE CANDIDATE AREAS

Dick Benner noted that since the March Steering Committee some questions have been raised about the factors. The three common questions are: how the factors in the rules apply to the selection of candidate areas, how the factors are being applied, and if areas not being considered now as candidate areas can be added back in later. Dick provided an overview of the answers to these questions as outlined in his March 31, 2009 memo to the Reserves Steering Committee regarding the *"Factors" and Reserves Candidate Areas*.

Deb Nudelman asked for updates from the counties.

Brent Curtis reported that the Washington County Coordinating Committee met on April 1 and made one change to the candidate reserve areas. This change was to include the property just south and east of Sherwood as a proposed candidate urban reserve area. The area is already surrounded by urban lands on three sides and is important in consideration of the connector study. The area was

already a proposed candidate rural reserve area. The Coordinating Committee also looked at how to take the next steps and go through additional screening and analysis for urban and rural reserve candidate areas.

Chuck Beasley reported that the Multnomah County Citizens Advisory Committee (CAC) met on March 26. Multnomah County staff has been working with the City of Portland about potential issues for serviceability on Sauvie Island. The CAC considered additional information and issues and concluded that Sauvie Island is not suitable for urban development. By unanimous decision, the CAC recommends that Sauvie Island not be included as an urban reserve candidate area.

Jim Johnson noted that on the *Candidate Urban Reserves in Multnomah County* map, candidate urban reserves are in purple. Jim asked if those areas are also candidate rural reserve areas.

Chuck Beasley confirmed they were.

Commissioner Lehan reported that the Clackamas County Commission has reviewed some of the issues and has been in communication with its cities about controversial areas. At the request of Sandy, the commission chose to designate the area along Highway 26 as a candidate rural reserve. Stafford is a unique area that does not fit easily into urban or rural reserve factors. The decision at this point is to declare all of it as both an urban and rural reserve candidate area. Those were the main areas the commission had time to address.

Councilor Harrington noted that the Metro Council has heard the same overview of the recommendations. The Council had some concerns because they want to ensure that the study and examination of potential reserves is done in a successful manner. This led to a request for the information in Dick Benner's memo. The Council has also invited each of counties to present them with information so the Council has a high degree of comfort with the urban and rural reserves proposal.

Deb Nudelman asked to go around the room and have all the Steering Committee members briefly comment on the proposed rural and urban reserve candidate areas.

Richard Whitman complimented the Core 4 for their work on this process. He then provided a broad overview of the state agencies' perspective as outlined in the April 6 letter to the Reserves Steering Committee members from members of the state agencies. Richard noted that at this point, the Core 4 has been relatively inclusive about keeping land on the table, which means the group has not yet gotten to some of the hard choices. Richard agreed with Dick Benner's memo and noted that the process is not over until it is over. At this point, there is little concern about the preliminary decisions on candidate areas. He said it is not clear how to determine the land need for population and employment growth for the next 40 to 50 years. Richards thinks the group needs some more information about how to get from forecast to the urban growth report.

Bob Clay said the City of Portland appreciates everyone's hard work. He noted that there is a small sliver of land near Sauvie Island called the Channel area, as well as a large swath between Multnomah and Washington Counties, where more work needs to be done to determine suitability and serviceability for those areas. Bob can attest to the fact that there is a lot of interest in small geographical areas in Multnomah County.

Mary Kyle McCurdy appreciates that at this point the Steering Committee is looking at candidate areas and that quite a few of the areas will be evaluated as both candidate rural and urban reserves. She said that it seems that the filtering process in all areas is not as far along as the group would like to be. She is concerned that the Washington County candidate urban and rural reserves are too large for meaningful public input. The state agencies' letter has outlined the need to align to the urban growth report more closely. Given where the process is now, Mary Kyle is concerned about the timetable, and thinks the group needs to consider if it need a couple more months to finish.

Commissioner Cogen noted that the question about extending the deadline has been raised in the past. He asked staff for clarification about the hard deadline for this process.

Dick Benner responded that there is no explicit deadline written into the statutes or rules, and the entire reserves process is voluntary. However, the reserves decision fits into a larger setting. Metro has to meet deadlines for completing its analysis for expanding the urban growth boundary (UGB) to have enough capacity for the next 20 years. Metro has to figure out the capacity by the end of 2009 and has two years after that to finish the job if there is a capacity gap. They need to fill one half of the capacity gap at the end of the first year and the second half at the end of the second year. There is a possibility of extension for those two deadlines. The goal was to have the urban and rural reserves designated before the UGB expansion as those areas will be the first to come into the UGB.

Commissioner Cogen noted that a group like this can lose momentum. He has concerns about the timeline as well and does not want to hurry the process and make poor decisions. He said if the group cannot make good decisions in the current timeline, then he recommends giving ourselves enough time.

Laura Masterson said that agriculture is key to the economy in the region and makes an invaluable contribution to the safety, security, and livability of the region. She noted that agriculture is soil dependent, not land dependent. To maintain sustaining agricultural lands, large tracts of foundation and important agricultural lands need to be protected as rural reserves. Most of these lands have been included as candidate rural reserve lands, however the agricultural community has concerns about how much of this land is also being considered for urban candidate areas. She also has concerns about the timeline. Laura asked the Core 4 to consider extending the schedule in order to allow staff and counties the time necessary to make good decisions.

Councilor Harrington noted that the Core 4 is concerned about the time pressure, however in the absence of knowing how this process might work there is the timeline for the current schedule. It does not mean that the schedule cannot be changed, but the group should be committed to completing the process in that timeframe.

Greg Manning summarized the April 6, 2009 letter submitted by the Reserves Business Coalition to the Reserves Steering Committee Core Four Members. The recommendations from the Reserves Business Coalition are two-fold. The first recommendation is that lands identified as "unconstrained" in the Group Mackenzie mapping series be considered for urban candidate reserve areas. He feels that Washington and Multnomah Counties have made good faith attempts to do so. The second recommendation is that the Clackamas County urban reserve candidate areas be expanded as outlined in the letter. By excluding these areas now, Greg feels the region might be

forcing development into areas that are less suitable for growth and urbanization. This group is looking forward 50 years and the only way to do that credibly is to look at all of the factors.

Ron Carley said he shares Mary Kyle's concerns about the timeline. He noted that his role is to speak about social equity, and he referenced the January 12, 2009 letter regarding *Equity Considerations in Making the Greatest Place Planning Processes* sent to the committee. He reiterated the questions posed in that letter and suggested looking at information such as historical data, housing pricing when there is infill in an area, how much of new housing has been multi-family housing, what is the average income, and if there is evidence of burdens or opportunities for low income folks or people of color. He said they have some concerns regarding planning and infrastructure costs, and what the shifting of funds means to low-income communities. Ron noted that more work on these topics would help inform their decisions.

Keith Johnson reported that the Oregon Department of Environmental Quality supports Richard Whitman's comments. ODEQ encourages everyone to consider Oregonians' desire for good quality water and air.

Kirk Jarvie thanked the Core 4 and staff for getting the group this far. He pointed out that the lines on the natural wetlands inventory will need to be refined as the process moves forward to define urban and rural areas. The Department of State Lands can help provide the necessary information.

Bill Tierney referred to the April 2, 2009 letter submitted by Lake Oswego regarding *Urban and Rural Reserve Candidate Areas*. Based on what has been discussed today, Bill is okay with the areas being considered for both urban and rural reserves. Specific concerns are outlined in the letter.

Deb Nudelman noted that all the information provided will be posted to the website.

Jim Kight said that the City of Troutdale wants to maintain their rural feel. He noted the cost of bringing areas into urban reserves as it would require the construction of infrastructure. Jim said he does not want to see the cost for building new infrastructure shift back to the citizens of his community. He would like to see an agreement that when these areas are brought in to the UGB that the region share part of the cost instead of it going back to the residents of the community.

Jeff Boechler said that the Oregon Department of Fish and Wildlife (ODFW) appreciates the inclusiveness of this process. Three areas that might need to be included for further evaluation are described in the state agencies' letter. ODFW's concerns are limited because they know they can bring areas back in. He recognizes the group has a lot of work ahead of them.

Bill Ferber said he is concerned about an adequate water supply for the candidate areas. The Water Resources Department agrees with Richard Whitman's statements.

Greg Specht reported that the Portland area business community supports the recommendation that lands identified as "unconstrained" by the Group Mackenzie mapping series be considered for urban reserves and asked that Steering Committee members support this recommendation as well. This information is included in the April 6, 2009 letter from the Reserves Business Coalition. He said to exclude the lands outlined in the letter from urban reserve candidate area evaluation is disingenuous. Without properly locating commercial lands near existing infrastructure, jobs will be harder to maintain.

Craig Brown is concerned that the Core 4 and the Steering Committee are trying to set firm policy for the next 50 years, and he does not think that is possible. He noted that things can change radically in the next 20 years and setting policy for the next 50 years is not practical or realistic. His understanding is that the Core 4 is trying to set firm reserves that will not be changed. He said if that is the case, the Portland area will end up looking like Los Angeles because other counties will grow more because there is cheaper housing than inside the UGB. Craig said if the group is going to minimize urban reserves, they need strong forecasts.

Commissioner Cogen asked staff for clarification if there are ways to make adjustments to the reserves designations in 10 or 20 years if they realize they were incorrect in the amount of land needed in reserves.

Dick Benner responded that the law allows the four local governments to add urban reserves at any point in the future. However, if an area is designated as a rural reserve in this process, that land cannot be redesignated as an urban reserve. For example, if the four governments designate a 43 year supply of urban and rural reserves through this process, then the rural reserves cannot be redesignated as urban for the next 43 years.

Chair Brian noted that this is a set of decisions made by local people following state law. If, however, it is determined later that mistakes were made in designating urban and rural reserves, people can go to the legislature and have them amend the laws.

Dick Strathern said he agreed with Jim Kight's comments. The rate of population change is tremendous and there is not much flexibility between the 40 to 50 year range. He believes that before the ink is dry there will have to be some changes made. The City of Gresham's position is that there should be a rural reserve designated east of Gresham. He noted that in eastern Multnomah County, they have been struggling to build additional transportation infrastructure, and he asked the Steering Committee not to forget how critical transportation is to employment.

Chris Barhyte said he appreciates the local aspirations and recognizes cities have done a lot of work with visioning. The challenge of this process is determining what a compact urban form will look like and how to handle infill. Chris thinks that is the question the group needs to discuss. The group needs to look at livable communities and the ability to have jobs in the region.

Lainie Smith said the Oregon Department of Transportation's (ODOT) comments are incorporated in the state agencies' letter. Included with the letter is a table of all of the highways and ODOT's best assessment about where to make improvements. Lainie emphasized that these are rough estimates. She noted a couple corrections including a reference to US 26 westbound in the I-405 to the Zoo section which should be US 26 eastbound, and that there are not route numbers in the final version of the table. ODOT will email an updated table with route numbers to the Steering Committee. [Action Item] Lainie noted that it is important for transportation to be included for consideration as this process moves forward. Until now, there has not been much consideration and it has been from county to county. She noted there is congestion in all of the highways in the region, however some areas are more constrained and worse than others. It is important as Core 4 makes decisions that they work with local jurisdictions for regional transportation infrastructure. ODOT is happy to meet with anyone to hear their information or answer questions.

Tim Knapp recognized the changes Clackamas County made in being responsive to the wants of the cities he represents. He said he is concerned that the Steering Committee has received a lot of information recently from Metro and other places that was not available when the proposed candidate reserve areas were recommended. Tim would like to see more time and consideration for information that just came forward before the committee has to decide what to recommend. He noted that there have been very legitimate concerns about the 40 to 50 year time horizon and whether the group is putting enough thought into the process.

Melody Thompson noted that the satellite cities do not have any interest in losing their physical separation from Metro. Everyone recognizes the importance of the agricultural sector, however, to the extent that you constrain residential land supply, you can be sure a number of people working in the metropolitan area will live in satellite cities and that there will always be a number of people from our cities who commute back and forth to the metropolitan area for employment.

Jim Johnson noted that there had been a reference made to soil capability, and he pointed out that soil capability for agriculture does not necessarily mean it is good for forest land. He said that the 2007 census for agriculture showed that over 630 thousand acres of agricultural land has been lost state-wide. When decisions are being made, the committee needs to consider issues dealing with food safety and security. He also said that the counties are putting a lot of work into this process and that work should be recognized. Jim said that a delay in the process might not mean another year, but taking another month to seriously consider the information.

Doug Decker said that the Oregon Department of Forestry's highest priority is to maintain forest lands so future generations can benefit from economic and social benefits of forest lands. Doug noted that there is more information in the state agencies' letter.

Jim Labbe said he believes natural features should be addressed early in the process and that ecological and geographic features should be used to define the boundaries for natural features. He is surprised that the filters remain coarse and the timelines are short. He is concerned that the natural features be applied effectively moving forward and he does not feel there has been deep consideration with respect to urban reserves. The Johnson Creek Watershed Council sent a March 25, 2009 letter requesting that the Johnson Creek Watershed be considered as a rural reserve as it is on foundation agricultural land. Jim seconded the concerns made by ODFW that other areas need to be considered as rural reserves. Jim said he does not want natural features to be seen as afterthought. Metro is relying on organizations to do much of the outreach, and he does not feel those organizations have the capacity to do that.

Karen Goddin noted that the Oregon Economic and Community Development Department (OECD) submitted its comments as part of the joint state agencies' letter. OECD is looking to the health and sustainability of the region and thinks economic lands are critical, as is providing employment lands that are feasible. The OECD feels that the region is constrained for industrial lands supply and wants to make sure that land is available now as well as over the next 40 to 50 years. Karen thinks that Clackamas County has narrowed their candidate reserve areas too much at this point. She noted that a lot of additional information has been provided and she thinks an appendix of the data would be helpful.

Alice Norris reported on the City of Oregon City's joint work session. The City can accommodate current growth within the UGB, however for the next 50 years, the City will need to look outside of

the current UGB. Clackamas County has recognized local knowledge and experience, and Alice hopes that the City will be respected as well as it begins its visioning process. Oregon City will grow more slowly into the UGB because its growth is more constrained due to some factors. The City is pleased with the candidate reserve areas, and she noted that more lands can be added as well.

Jerry Willey said that there have been spectacular changes in the region since he first moved here. There have been a number of challenges in the last 25 years and he anticipates have more challenges in the next 25 years. The group needs to keep in mind that they are not going to get this perfect and need to keep a wide viewpoint so they do not have to reinvent this process in another 15 years. Jerry thinks everyone wants to make this region a desirable place to live. He is not an advocate of an extension of time because that just provides time for more minutiae.

Dennis Doyle said there is a perspective among his constituents that the region is becoming like California because it is so expensive to live in Beaverton that people live farther out and commute into the city to work. He said he is happy with the process that counties are going through, and he believes that the group needs to work with business partners because you cannot build bike trails and family neighborhoods without living wages. He would rather error on the side of designating more urban reserves than the region needs to be able to move quickly to bring family wage jobs into the region in the future.

Deb Nudelman said she wanted to recognize the value and importance of Steering Committee member comments and feedback to the Core 4. She noted that the Core 4 would now like to check in with the Steering Committee members to understand to what degree the committee members concur with the proposed rural and urban reserve candidate areas for further evaluation. This information, as well as information from all the public meetings, will help the Core 4 as they take the information back to their boards, councils, and commissions. This is the time to say whether the process is on course. As Dick Benner said, there can be adjustments.

Doug McClain confirmed that the amendments to the Clackamas County candidate rural reserve areas are the area between Gresham and Sandy along Highway 26 that is in the green corridor agreement and the Stafford Triangle.

Commissioner Cogen clarified that in asking for feedback for candidate reserve areas, the Core 4 is not asking the Steering Committee to say whether those areas should be urban or rural reserves. The Core 4 is asking whether the committee feels the area should be evaluated as either urban or rural, individually of whether it will be evaluated for the other designation as well.

Greg Specht asked what the next step will be after the Steering Committee votes on the proposed candidate reserve areas.

Deb Nudelman responded that the Core 4 will take what it has heard back to their boards, councils, and commission, as well as to the public meetings. The Core 4 will consider these candidate areas and at the May Steering Committee meeting will report back to the Steering Committee. Technical teams will continue to work on what further evaluation means. Deb noted that a yes or no from this group will not change anything at this time and instead shows a level of concurrence with what is being proposed.

Greg Specht asked how the Core 4 will handle specific exclusions or inclusions.

Chair Brian requested that staff provide a list of the areas they have discussed that are in variance with the maps brought before the group today. After that discussion, the Core 4 can adopt a more final version of the map. [Action Item]

Greg Specht clarified that the Core 4 will check with their county boards in the next 30 days so there will not be any more input from the Steering Committee members right now. He clarified that the Steering Committee will not be voting on Sauvie Island.

Deb Nudelman said that is correct.

Chair Brian responded that in addition to understanding the Steering Committee's opinions through a vote today, all written comments, letters, and anything people send to the Core 4 until next month will be considered in the Core 4's recommendations. He noted that the group is moving toward some important decisions, however they have not had a chance to look at population and employment numbers and there has been no discussion of potential allocations. All of this information has just become available. The next 30 days provide the opportunity for the Core 4 and Steering Committee members to keep reading and understanding this information.

Commissioner Cogen said at the May Steering Committee meeting, the Core 4 will be reporting back to the Steering Committee on what they heard from their boards, including information about mapping and the timeline. [Action Item]

Tim Knapp moved that today's decision be delayed by 30 days to give Steering Committee members the opportunity to review the additional information they just received.

Deb Nudelman responded that her experience with these types of processes leads her to say the group should move forward with a decision. The Core 4 needs feedback today, whether or not it is as well-developed as Steering Committee members would like.

Councilor Harrington said the Core 4 will take recommendations from the Steering Committee to their respective boards and bring that feedback to the Steering Committee. The important part here is what the discussion is like among the Steering Committee members. With regard to delaying the question by 30 days, Kathryn noted that there is a lot that we do agree on for candidate urban and rural reserves. The technical teams have further detailed analysis underway. If the Steering Committee chooses to recommend that final concurrence be delayed, the Core 4 will still need to proceed on what seems to be an agreement.

Deb Nudelman said that in addition to concurring or not concurring, there can also be the option to abstain.

Ron Carley said does not feel comfortable with a yes or no at this point and liked Deb's suggestion to allow for an abstention.

Chair Brian noted that this vote represents a recommendation from the Steering Committee to the Core 4 and as such, the Core 4 is not voting. He said the Core 4 appreciates all the comments and feels they have been very helpful.

Deb Nudelman asked the committee to indicate with their tentcards if they concur with the proposed rural reserve candidate areas for further evaluation. [Decision Point]

Of the 26 committee members in attendance, Jim Labbe and Greg Manning were not in concurrence, Ron Carley and Tim Knapp abstained, and all other Steering Committee members concurred.

Deb Nudelman asked the committee to indicate with their tentcards if they concur with the proposed urban reserve candidate areas for further evaluation. [Decision Point]

Of the 26 committee members in attendance, Craig Brown, Karen Goddin, Greg Manning, Laura Masterson, Mary Kyle McCurdy, and Greg Specht were not in concurrence, Ron Carley, Tim Knapp, Jim Labbe, and Lainie Smith abstained, and all other Steering Committee members concurred.

V. SUMMARY

Deb noted that the May 13 Steering Committee meeting is being held as an all-day meeting from 9:00 am to 4:00 pm. Staff will confirm as soon as possible if the entire time will be needed. [Action Item]

There being no further business, Deb Nudelman adjourned the meeting at 12:04 pm.

Respectfully submitted by Kearns & West.

ATTACHMENTS TO THE PUBLIC RECORD FOR APRIL 8, 2009

The following have been included as part of the official public record:

AGENDA ITEM	DOC TYPE	DOC DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
1.	Memo	Undated	To: Metro Reserves Steering Committee and Core Four Members From: Karen Wilde Goddin RE: Economic Mapping Project	040809rsc-01
2.	Letter	4/8/09	To: Core 4 Members and Regional Reserves Steering Committee Members From: Dana Krawczuk, Ball Janik LLP RE: RSC April 8 th Recommendation – Request to Designate the SW Corner of Highway 26 and Highway 212 as an Urban Reserve Candidate Area	040809rsc-02
2.	Letter	4/3/09	To: Clackamas County Dept. of Transportation and Development From: James A. Cox RE: Rural Reserve Candidate Area Pete’s Mountain	040809rsc-03
2.	Legal Order	7/15/02	Order No. 02-464_ In the Matter of the Pete’s Mountain Water Company Incorporated Application of Exclusive Territory to Provide Water Service, Pursuant to ORS 758.300 Through ORS 758.320.	040809rsc-04
2.	Bound Presentation	Undated	Newland – Perfectly Suited for “A Great Community”	040809rsc-05
2.	Maps	Undated	West Linn County Maps	040809rsc-06
2.	Written Testimony	4/8/09	Support of Inclusion of Additional Lands for Consideration as Urban Reserves Submitted on Behalf of Chris Maletis and Tom Maletis	040809rsc-07
4.	Letter	4/6/09	To: Metro Reserves Steering Committee From: Richard Whitman, Katy Coba, Elaine Smith, Jeff Boechler, David Morman, Karen Wilde Goddin	040809rsc-08
4.	Letter	4/6/09	To: Reserves Steering Committee Core Four Members From: Greg Manning, Craig Brown, Greg Specht	040809rsc-09
4.	Letter	4/2/09	To: Metro, The Core Four From: Jack Hoffman RE: Urban and Rural Reserve Candidate Areas	040809rsc-10
4.	Letter	3/25/09	To: Multnomah County Urban and Rural Reserves Citizens Advisory Committee From: Matt Clark, Teresa Huntsinger, Johnson Creek Watershed Council	040809rsc-11
4.	Letter	4/6/09	To: Members of the Reserves Steering Committee From: Linda K. Malone, City of Sandy	040809rsc-12

Urban and Rural Reserves

Phase 3 Public Involvement Initial Summary

Public Comment Report to the Regional Reserves Steering Committee, May 13, 2009

Introduction

In March 2009, the regional Reserves Steering Committee and county advisory committees concurred with project team recommendations of draft candidate urban and rural reserve areas. These candidate areas are based on initial application of urban and rural reserve factors. The candidate urban and rural reserves were presented to the public for review and comment through presentations, stakeholder group discussions, an online survey and open houses.

Eight regional open houses offered information and solicited comment from more than 600 attendees. In addition, several hundred community members attended project-team hosted presentations to Citizen Participation Organizations (CPOs) and neighborhood, environmental, business, development and agricultural groups among others. Several hundred emails and letters have been received by the four partner jurisdictions.

Open house attendance:

April 15	Clackamas County headquarters, Oregon City	83 attended
April 16	Neil Armstrong Middle School, Forest Grove	54 attended
April 18	Metro Regional Center, Portland	27 attended
April 20	Sam Barlow High School, Gresham/Orient	63 attended
April 22	Tigard High School, Tigard	39 attended
April 27	Linnton Community Center, Portland	54 attended
April 29	Rock Creek Elementary School, Bethany	68 attended
April 30	Wilsonville City Hall, Wilsonville	218 attended
Total		606

The same survey questions asked at the open houses were posed via the Metro web site from April 22 through May 6. Over 1500 people visited the reserves pages during that period with 295 people completing online surveys.

Overview of Online and Open House Survey Responses

Much of the information received from surveys and map comments directly addressed the key questions asked in Phase 3:

1. Do the candidate urban and rural reserve areas contain lands suitable for detailed evaluation for one or both reserve types?
2. Are there suggested alterations to either the candidate urban or candidate rural reserve areas?
3. If so, can the appropriate factors supporting those suggestions be provided?

A large percentage of the information received relates to:

- Livability and sustainability
- Agriculture and local food production
- Wildlife and habitat
- Economic growth
- Resource management
- The process in general
- Support for or opposition to regional growth
- Personal property rights

This input will become part of the Phase 3 Public Involvement Summary to be used in the candidate area analysis leading to recommendations. That summary will be available in June.

Additional comments from survey responses:

Survey highlights:

Clackamas County – 294 completed surveys; 137 from West Linn, 31 from Lake Oswego and 49 from Wilsonville,

Multnomah County – 403 total; 379 from Portland, 11 from Gresham

Washington County – 317 total; 25 from Beaverton, 13 from Cornelius, 14 from Forest Grove

Nearly three quarters of the responses were from residents within the UGB and within a city.

More than one quarter were from outside the UGB and outside a city.

Regarding current candidate urban reserve areas, 223 of 620 responses indicated no adjustments were needed while 397 responded with a wide variety of recommended changes. Of 525 responses, 391 indicated no specific areas should be excluded from further study while 159 recommended specific areas to exclude. These will be included in a complete report in June.

Regarding current candidate rural reserve areas, 276 of 559 responses indicated no changes were needed while 314 responded with a wide variety of recommended changes. Of 525 responses, 208 felt there were no specific areas that should be excluded from further study while 134 recommended specific exclusions. These will be included in a complete report in June.

Asked about their interest in the urban and rural reserves process:

- More than 40% indicated their own property was of most interest
- More than 50% indicated preserving open space near where they lived was of most interest
- More than 50% indicated encouraging development near where they lived was of least interest
- More than 60% indicated protecting working farms was of most interest
- More than 50% indicated protecting working forest lands was of most interest
- More than 70% indicated protecting natural areas was of most interest.

Asked what decision makers most important consideration should be for choosing between an urban and rural designation:

- More than 68% indicated protecting working farms and forests was most important
- More than 69% indicated protecting natural areas was most important
- More than 50% indicated providing new urban communities outside the current UGB was least important

- More than 35% indicated providing new employment opportunities outside the current UGB was least important
- More than 50% indicated identifying redevelopment opportunities inside the current UGB was most important

Summary of suggested revisions to the Clackamas County candidate areas

General comments:

- Keep urban growth inside the current UGB entirely or as much as possible; minimize any new urban reserves
- Protect foundation farmland and forest land; need farmland near urban areas
- Retain natural areas, watersheds, buffers around rivers, wetlands, etc. -- once it's gone, it's gone forever
- Put urbanization near current transportation corridors OR Transportation corridors already too full, so don't add any more urbanization near them
- Get rid of 20-year land supply process

Specific geographic areas

- **South of Willamette in Wilsonville/French Prairie/Charbonneau area** -- overwhelming response to keep rural, no more traffic capacity on I-5, don't destroy valuable farmland, keep industrial/commercial/casino/trucking away
- **Stafford triangle** -- mixed responses, basically variations on one of the following:
 - Allow Stafford Hamlet to implement its vision for some urban and some rural
 - Keep area rural -- very special place for entire region, equine opportunities, bike riding, hiking, etc.
 - Make area urban -- very poor farmland, part of it is already fairly suburban
 - Urbanize around I-205, Stafford-Borland; keep rest rural
- **Pete's Mountain** -- A few detailed requests for urbanization countered by a larger number of people arguing for rural, based on steep slopes, limited water supply
- **Beavercreek/Henrici/Highway 213 area south of Oregon City** -- rural, low-density housing or parkland because of steep slopes, landslide

Miscellaneous

- **Growth:** Why do we have to grow? or Keep growth out. or Maybe growth won't come or come as expected because of the current economic situation.
- **Process:** Encourage Core 4 to physically visit any land to be designated urban or rural before making the final decision

Summary of suggested revisions to the Multnomah County candidate areas

General comments:

- Keep urban growth inside the current UGB entirely or as much as possible; minimize any new urban reserves
- Protect foundation farmland and forest land; need farmland near urban areas
- Retain natural areas, watersheds, buffers around rivers, wetlands, etc. -- once it's gone, it's gone forever
- Put urbanization near current transportation corridors OR Transportation corridors already too full, so don't add any more urbanization near them

Specific geographic areas

Northwest unincorporated Multnomah County

- *Keep it rural*; keep the green space, keep space for wildlife, small farms feed Portland, keep farms close to urban markets, many working PROFITABLE small farms and small forestry operations, plan for a greener Oregon, too hard to add infrastructure here. Old Germantown/Springville area should not be urbanized. This area is important for wildlife, streams, farming and provides a buffer for Forest Park. Save Multnomah County watersheds and farms.
- *Make it urban*; It should be in keeping with the neighboring communities. The area can handle the growth and the increased use of services. It is suited for housing. The schools in this area are down in numbers, development would help with the numbers. This is land that cannot be farmed to make a living. Develop housing, we need the tax base. Small parcels not being productively farmed. Elementary school to serve denser population. Cornelius Transport Corridor – logical divider between urban and rural.

East County

- *Keep it rural*; Maintain significant river corridor for agriculture, area adjacent to east side of UGB and along southern edge of Sandy River; in favor of rural reserve. I want Metro to buy my land as a “green space.”
- *Make it urban*; Why not let urban development continue to naturally grow eastward? I want to subdivide and sell my land . Let people do with their land what they choose.

Miscellaneous

- **Growth**: Why do we have to grow? OR Keep growth out. OR Maybe growth won't come or come as expected because of the current economic situation.
- **Process**: Encourage Core 4 to physically visit any land to be designated urban or rural before making the final decision
- Many cyclists on weekends on Germantown or Kaiser Road come from all over for the scenery.

Summary of suggested revisions to the Washington County candidate areas

In general many responses indicated protection of agricultural lands (without specific recommendations). More than 40 responses suggested no urban areas and designating all agricultural “Foundation” lands as rural reserves. More than 60 responses noted the candidate urban reserve area in Washington County is too large.

The following suggested revisions are grouped by geographic area. Most of the responses for Washington County focus on three areas. Broadly defined they are:

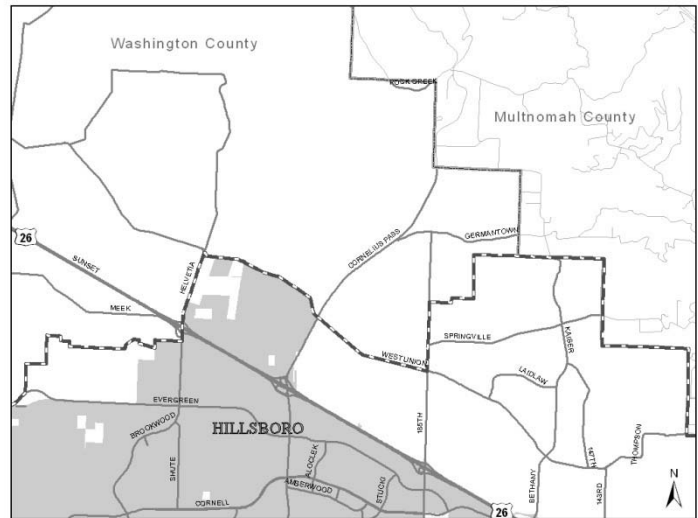
1. Helvetia area (roughly NW Helvetia Road east to Forest Park) and the current UGB to the Reserves Study Area boundary
2. The area roughly within the Forest Grove/Cornelius to Banks to North Plains city limits
3. The area west and south of Bull Mountain (roughly SW Scholls Ferry Road – Tualatin National Wildlife Refuge – SW Beef Bend and south to Sherwood).

Helvetia Area

Approximately 60 responses either directly indicated the Helvetia area be placed in rural reserves or it be removed from consideration as an urban reserve.

Approximately 30 responses indicated that all areas north of Highway 26 either be rural reserves or be removed from consideration as an urban reserve.

One response noted the Helvetia area should be removed from the rural reserves and one noted that the area northwest of Bethany should be removed from rural reserves.



Three responses suggested that a major connector be developed to loop from NW Barnes Road, align with Road A (North Bethany development) and connect with NW Cornelius Pass (which should be expanded and connected to Highway 30) as a regional transportation route. If that were developed all lands north of the route should be removed from urban reserve consideration. If that connection is not made then all lands in the Helvetia area should be removed from the candidate urban reserve area.

Forest Grove/Cornelius – Banks – North Plains Area

Six responses indicated the area contained within these cities should be removed from candidate urban reserve consideration.

Three responses indicated limiting candidate urban reserve areas to a northern edge at Verboort Road.



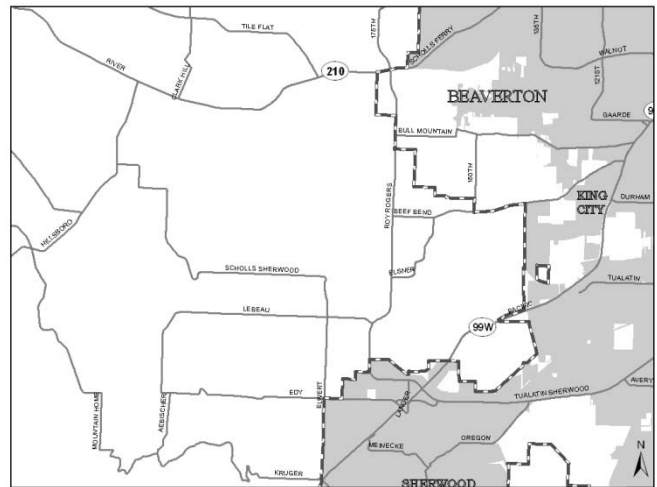
Bull Mountain – Tualatin National Wildlife Refuge – Sherwood Area

Four responses indicated removing areas from candidate urban reserves:

- Lower slopes of West Bull Mountain
- Tualatin National Wildlife Refuge from Forest Grove to Sherwood
- Tualatin National Wildlife Refuge east to SW Roy Rogers Road.

Additional Suggested Revisions

Three responses suggested including the Mountain Home Road area in candidate urban reserves.





Date: May 6, 2009
To: Reserves Core 4, Reserves Steering Committee, interested parties
From: Reserves Core 4 Project Management Team
Re: Reserves milestone timeline revision and next steps

Summary

A revision to the milestone dates for phases 3 – 5 of the Urban and Rural Reserves work program has been approved by the Core 4. The revision allows more time for creation and review of technical products while still reaching agreement on reserves by the end of 2009. The changes are:

- **Phase 3 (milestone = preliminary urban and rural reserve areas recommended):** Move milestone date from July to October 2009
- **Phase 4 (milestone = reserve areas recommended via intergovernmental agreements):** Move milestone date from September to December 2009
- **Phase 5 (milestone = Metro designates urban reserves; counties designate rural reserves):** Move milestone date from December 2009 to May 2010

Rationale

The Core 4 discussed several factors supporting the timeline revision, including:

- **Allowing more time for outreach and feedback:** Three months have been added to Phase 3, allowing more time for advisory committees, the regional Reserves Steering Committee, cities, and interested parties to receive technical materials, discuss these with their stakeholders, provide feedback and engage in discussions with one another prior to providing comment/recommendations to the Core 4. The Core 4 governing bodies will also have more time to discuss the same materials and provide direction to their representatives.
- **Synchronizing with the Making The Greatest Place process:** The reserves process is focused on suitability of lands outside the existing urban growth boundary for future rural and urban uses. At the same time, MPAC, JPACT, the Metro Council and interested parties are discussing regional and local investment and policy decisions that will lead to better understanding of the future capacity of the existing Metro urban growth boundary. This direction will be embodied in the Draft Urban Growth Report and Regional Transportation Plan documents scheduled for release in September. The revised reserves timeline allows this direction to be more directly integrated into the Phase 3 reserves recommendation.
- **Recognizing realities of adoption timelines:** The formal adoption of land use actions by Metro and the counties in Phase 5 will require public notice, discussion and/or hearings by County Planning Commissions, MTAC and MPAC, and public hearings of each governing body. These steps will take several months. Furthermore, Washington County may only adopt such ordinances from March through October due to a charter limitation. Thus, Phase 5 cannot take place until March 2010.

- **Aiming for agreement in 2009:** The revised timeline honors the commitment of stakeholders and others investing time in the reserves process by producing agreement among the Core 4 jurisdictions in 2009 (via the adoption of intergovernmental agreements).
- **Designating reserves prior to 2010 growth management decisions:** The reserves timeline was designed to have urban and rural reserves adopted prior to mandated growth management decisions in 2010. The revised schedule of Phase 5 adoption actions supports this goal.

Next steps in evaluation process

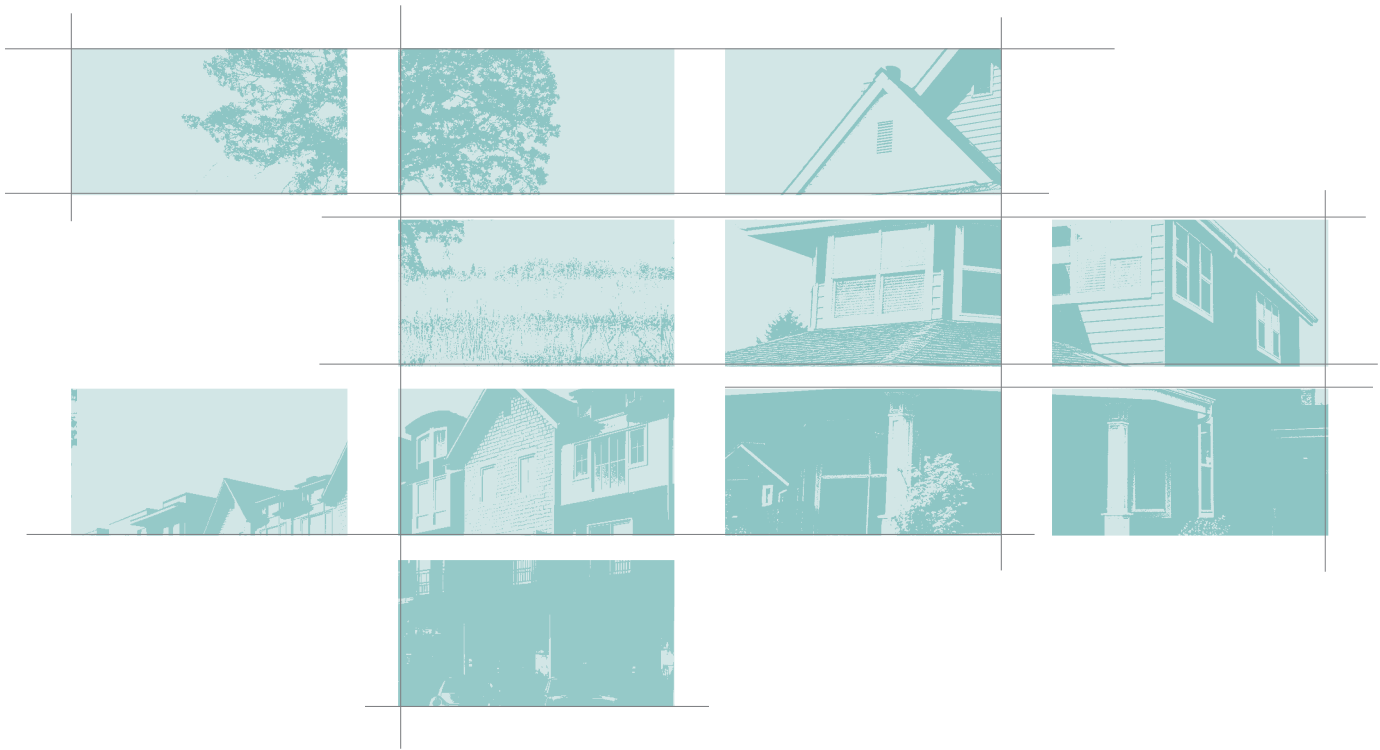
Metro and the counties, in partnership with cities and other interested parties, will focus further evaluation efforts on the candidate areas approved by the Core 4. As previously discussed, work on the remaining areas will include:

- **For rural reserves:** refinement of baseline agriculture, forestry and natural landscape features mapping and analysis of how candidate areas meet all of the rural reserve factors established under administrative rules.
- **For urban reserves:** use of more detailed development constraints mapping, infrastructure availability information and 2040 design type building blocks to arrive at an understanding of the potential design and capacity of urban reserve areas. All eight urban reserve factors will be utilized to evaluate these designs and produce a narrative analysis of their suitability for urban reserve designation. This work will include discussion of the positive and negative effects urbanization of the candidate areas could have on existing communities and rural areas.

Important dates

- **May – July 2009:** Metro and counties, in partnership with cities and other stakeholders, conduct further evaluation of the suitability of rural and urban candidate areas.
- **August 2009:** County advisory committees make recommendations to county commissions on rural reserve areas and urban reserve areas.
- **September 2009:** Draft Urban Growth Report and Regional Transportation Plan available. Individual county reserve area recommendations presented to Regional Steering Committee.
- **October 2009:** Regional Steering Committee recommendation to Core 4 on preliminary rural reserve areas and urban reserve areas (PHASE 3 MILESTONE).
- **October – November 2009:** Public outreach on preliminary reserve area recommendations.
- **November 2009:** Core 4 decision on preliminary reserve areas.
- **December 2009:** Reserve areas recommended via intergovernmental agreements (PHASE 4 MILESTONE).
- **March – April 2010:** Public hearings on land use ordinances and functional plan amendments to designate urban and rural reserves.
- **May 2010:** Metro designates urban reserves; counties designate rural reserves (PHASE 5 MILESTONE).

Upcoming Reserves Steering Committee agenda items are listed on the May 13, 2009 agenda.



PRELIMINARY URBAN GROWTH REPORT

2009 – 2030

Residential – Executive Summary

March 2009 draft

 Metro | *People places. Open spaces.*

INTRODUCTION

Planning for the future is not just an exercise in providing numbers and forecasts. Planning creates opportunities for people and communities to define and articulate their collective desires and aspirations for enhancing the quality of life in our region. It allows citizens and their elected leaders to take stock of the successes that have been achieved in their communities through years of hard work. It also forces us to think carefully about and to be accountable for the costs of our choices, ensuring we get the greatest possible return on public investments.

Planning for the long term provides us with an opportunity to confront new challenges – such as climate change, fluctuating gas prices and changes in the global marketplace – and decide how best to meet them while sustaining a healthy economy, protecting our natural resources and creating safe and vibrant places to live and work.

We live in a place where planning ahead is a way of life. Those of us who live in the Portland metropolitan region are the beneficiaries of a valuable inheritance. The citizen leaders, business owners and elected officials who came before us had the good sense to recognize the beauty and abundance of our region, the foresight to plan for our future and the creativity and wisdom to invest in their vision. Today, we reap the benefits of distinctive, compact cities surrounded by farms and forests, connected by an expanding light rail system with networks of parks and natural areas that link the Cascades with the coast.

We're not starting from scratch. We begin with a forward-thinking and widely-regarded long range vision, the 2040 Growth Concept. To date, we have had great success in implementing that vision and its call for compact, vibrant communities. Another tool that the region has for achieving those results is the urban growth boundary which was adopted thirty years ago. The boundary and the 2040 Growth Concept encourage efficient use of land, support activity in centers and along main transportation corridors and protect our agricultural and natural heritage. Expansions of the boundary have been made with the aim that they maintain these qualities while providing additional residential and employment capacity.

Despite adding approximately 28,000 acres to the boundary since 1979, we've accommodated virtually all of our region's growing population within the original boundary. In the last ten years alone, almost 95 percent of all new residential development occurred inside the original boundary. In many communities, growth has transformed once-abandoned business districts into bustling centers. In others, public investments are not keeping pace with population growth. As we plan ahead, we have much to be proud of and ample room for improvement.

What is the purpose of an Urban Growth Report?

Oregon's land use laws were crafted to protect and maintain a high quality of life for our citizens. Because one of the most important measures of quality of life is the ability to choose an appropriate and affordable place to live, our land use laws address how we as a society provide housing opportunities.

In the Portland metropolitan area, Metro is the agency legally responsible for anticipating changes in population and monitoring the availability of an array of housing to meet people's needs. Oregon land use law requires that Metro maintain capacity sufficient to house the numbers of people anticipated to live here over the next 20 years. For this reason, every five years, Metro conducts an inventory of the current residential capacity within the urban growth boundary, forecasts population growth over a 20-year timeframe, calculates the anticipated need, and documents the results of these analyses in an urban growth report.

WHY DO THINGS DIFFERENTLY?

A rapidly changing world compels us to step back and reconsider how we have traditionally planned for growth and determine whether those assumptions will be valid in the future. We must consider whether sticking with familiar ways of doing business could inadvertently lead our communities to be ill-equipped to deal with future uncertainties.

The changing American family

The composition of our households is different today than it was in the past and it will change even more in the future. Of U.S. households in 1960, 48 percent included children and 52 percent did not, with 13 percent including just one person. Demographic trends indicate² that in the Metro region by the year 2040, only 28 percent of households will include children while 72 percent will not, with 26 percent including just one person. This change in household configuration is partly due to changes in the number of children that people are having, but mostly occurs because people are living longer, well past child-rearing years. These demographic shifts tell us that we need to plan for a different mix of households than we have in the past.

Worldwide economic crisis

In the latter part of 2008, it seemed we were witnessing merely the bursting of an over-inflated housing market bubble. As events have played out, however, we've witnessed a worldwide economic downturn of a scale not seen since the Great Depression. In the Portland metro region, our tradition of planning has helped to protect housing values, avoiding the worst of both the bubble and its burst. According to the Case-Shiller index, during the period of December 2005 to December 2008, home prices in the Portland region decreased by only three percent, compared with decreases of 43 percent in Las Vegas, 31 percent in Tampa, 13 percent in Atlanta, and 40 percent in San Francisco.

No one knows how low the economy will sink, whether the efforts of the federal government will succeed in bringing about a recovery or how long that recovery will take.

What kind of region should we leave to our children?

In the summer of 2008, the Metro Council, with guidance from the Metro Policy Advisory Committee, agreed that our planning efforts should start with defining the outcomes that our citizens tell us they want. To that end, the Metro Council and our regional partners in local government adopted six desired outcomes to guide our regional planning for the future:

1. People live and work in vibrant communities where they can choose to walk for pleasure and to meet their everyday needs.
2. Current and future residents benefit from the region's sustained economic competitiveness and prosperity.
3. People have safe and reliable transportation choices that enhance their quality of life.
4. The region is a leader in minimizing contributions to global warming.
5. Current and future generations enjoy clean air, clean water and healthy ecosystems.
6. The benefits and burdens of growth and change are distributed equitably.

² C. Nelson (2008). *Metropolitan Portland Mega Trends 2005-2040*. Presentation given on October 8, 2008 and available electronically at <http://www.oregonmetro.gov/files/planning/nelson.pdf>

If, as many perceive, we are in the midst of a fundamental long-term economic transformation, moving from a manufacturing base to an idea-generating base, the regions that thrive are likely to be those that provide an environment where talented, educated professionals can easily interact. Our region's long range vision, the 2040 Growth Concept, is the blueprint for creating that environment. Now we must renew our efforts to implement it.

A warming planet

What changes should we anticipate on our landscape and from our climate? While researchers do not predict significant changes in annual precipitation amounts for this region, they do anticipate that even a modest rise in temperature will reduce the annual snow pack in the Cascade Range, affecting the amount of water available for urban and agricultural use throughout the dry season. A reduction in summer flows will also reduce the energy generated by hydroelectric dams.

We must plan for reduced water and power at the same time as a growing population places greater demands on these resources. Oregon law sets ambitious targets for reducing greenhouse gas emissions³. Though it has not yet been determined where responsibilities for these reductions will lie, it is clear that we must redouble our efforts to foster the development of compact, walkable, mixed-use communities with access to reliable transit.

Fluctuating energy and food prices

Motorists across the country experienced gas pump sticker shock in 2008. For many, filling their tanks became a significant financial investment when fuel prices topped four dollars a gallon during the summer months. In the Portland metro area, transit ridership set new records. The connection between the price of gas and the cost of goods also became startlingly apparent, particularly as food prices skyrocketed due to the rising cost of transporting products from farm to market. Because our strong transportation system provides for a variety of ways to get around, we are better positioned than many areas of the country to cope with inevitable future fuel price spikes and shortages. Intelligently planned patterns of urban growth can decrease our dependence on foreign oil sources and the cost of commuting. We can also strategically plan future growth to retain or increase access to fresh, locally grown foods.

Expensive pipes and pavement

The Portland metropolitan region, like most cities in the United States, faces a challenge with deteriorating and inadequate infrastructure. A 2008 study commissioned by Metro estimates the cost of building public and private facilities to accommodate growth in the three-county Portland metro area through 2035 will run between \$27 billion and \$41 billion. Traditional sources of funds would likely cover half of that. In addition, the region needs \$10 billion to repair and rebuild existing sewers, sidewalks, roads and other public systems.

Regardless of how we choose to accommodate more growth, there is much to do and much to pay for. We need to consider the potential return on public investments, pool regional resources where appropriate, strategically manage future demand, embrace emerging technologies and creative approaches and identify new sources of funding.

³ *Oregon House Bill 3543 (2007) mandates a halt in the growth of greenhouse gas emissions by 2010; by 2020, a 10 percent decrease below 1990 levels; by 2050, at least a 75 percent decrease below 1990 levels.*

2009 RESIDENTIAL ANALYSIS: RANGE DEMAND AND SUPPLY

In addition to reviewing our past, the urban growth report peers into the future to consider the conditions and the needs of the people living here decades from today. Most any view into the future is inherently cloudy and because of this lack of precision, it is wise to consider a range of possibilities and plan for contingencies. For that reason, the population forecast and housing capacity analysis in this report are both expressed as ranges, allowing the region's elected officials and citizens the opportunity to err on the side of flexibility and resilience in choosing a path.

The capacity analysis included in the report assesses the potential gap between anticipated population and anticipated capacity for housing growth. It is that difference that requires the region to act now to ensure that future generations have housing choices in vibrant, sustainable communities.

How many households are we planning for?

Population growth is a primary factor that influences future housing need (more detail on the 20-year range forecast is available in the Executive Summary of the 20- and 50-year range forecasts, released March 19, 2009, and available online at www.oregonmetro.gov/forecasts). In order to determine whether there may be a need for additional residential capacity within the 20-year planning period, the population forecast is converted to a household range forecast.

The forecast begins with the seven-county Portland Primary Metropolitan Statistical Area (which includes Clackamas, Multnomah, Washington, Clark, Yamhill, Columbia, and Skamania counties) and is then narrowed to the area within the urban growth boundary. To identify the range of dwelling unit demand in our region, Metro calculates a capture rate, an estimate of the portion of the seven-county population that could settle within Metro's urban growth boundary by the year 2030 (61.8 percent, based on historical experience). In order to assess need, a vacancy rate – the percent of capacity that would need to be vacant at any given moment to allow for people to move from residence to residence--is also calculated (four percent, as used in the 2002 UGR).

New dwelling unit demand range within the Portland metro area urban growth boundary (2007-2030)

Low end of forecast range

224,000 dwelling units

High end of forecast range

301,500 dwelling units

It is estimated that there is a 90 percent chance that the rate of growth will fall within the forecasted range.

What is the capacity range?

The report is intended to launch a discussion of how the region might adapt more of its existing capacity to meet future market demand. This purpose is in keeping with guidance provided in Oregon Statewide Planning Goal 14 to take actions inside the existing urban growth boundary first and to determine if growth cannot be “reasonably” accommodated inside the existing boundary before expanding it. This approach supports decision-making that is focused on the possible outcomes of our choices.

Our region’s capacity to accommodate growth changes over time. Residential capacity within the existing urban growth boundary is a product not just of the zoned capacity of vacant buildable land, but also of the amount of redevelopment and infill that is likely to occur within the 20-year time period. In some locations the zoned capacity may exceed demand. Market dynamics can shift because of a variety of public and private sector influences; local investments in development incentives and infrastructure can play an important role. This analysis distinguishes between capacity that may be counted on within the next 20-year period and that which relies upon changing market dynamics.

Low supply

Key assumptions:

- Market feasibility factor applied to high-density multi-family and new urban areas
- Refill at 27%
- No units from urban renewal or incentives

184,500 dwelling units

High supply

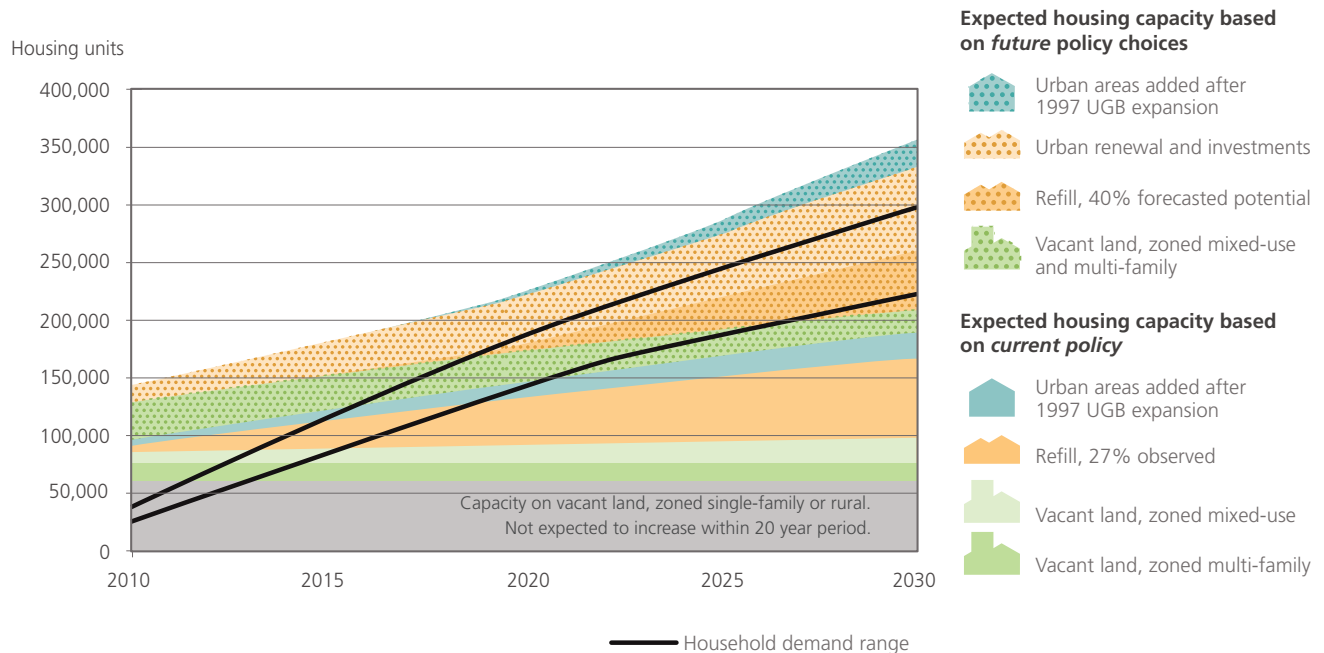
Key assumptions:

- Market feasibility factor NOT applied to high-density multi-family and new urban areas
- Refill at 40%
- Additional units from urban renewal and/or incentives

358,300 dwelling units

Figure 1, below, depicts the 20-year dwelling unit demand range along with a dwelling unit capacity range. The demand range is illustrated with two black lines that show the upper and lower end of the household forecast. Two primary types of dwelling unit capacity are identified in this figure. The capacity depicted with solid colors is considered market-feasible capacity that can be relied upon with a continuation of current policy and investment trends. The capacity depicted with dotted colors is deemed to be zoned capacity that requires additional policy or investment actions to make it market feasible by the year 2030.

Figure 1 Household demand forecast and sources of residential capacity
Within current Metro urban growth boundary



Expected housing capacity based on current policies

The first type of capacity depicted in Figure 1 with solid colors is zoned capacity inside the current urban growth boundary that is market feasible (by the year 2030) with no change in policy or investment trends. A significant portion of this capacity is on vacant lands. Based on the most up-to-date information on local zoning, vacant land zoned for single-family residential use is a substantial source of market-feasible capacity. There is also market-feasible capacity on vacant lands zoned for multi-family residential and mixed uses. The figure illustrates the minimum amount of household growth (27 percent, in keeping with historic rates) that could occur through redevelopment and infill (“refill”) by the year 2030. Finally, a portion of new urban areas (areas brought into the urban growth boundary from 1998 onward) is deemed to be market feasible by the year 2030.

Expected housing capacity based on future policy choices

The second type of capacity depicted in Figure 1 with dotted colors is zoned capacity inside the urban growth boundary that is likely to require changes to public policies and investments to make it market feasible by the year 2030. Policy and investment actions taken at the local and regional levels can increase the refill rate as well as the market feasibility of vacant lands. These are the very actions that can make our communities even greater places to live, work and play.

What is the potential gap between housing demand and capacity and what are some policy choices?

Although adequate zoned capacity exists inside the current urban growth boundary, in order to meet even the low range of the forecasted demand the region must take some action (e.g. make policy changes or investments) to make more of that zoned capacity market feasible. If enough policy changes and investments are put in place, it will be possible to meet the high range of demand without expanding the boundary. These policy and investment actions, by their nature, can make our communities more desirable places to live.

The potential difference between projected dwelling unit demand and supply (in the year 2030) could range from a deficit of 117,000 dwelling units (low supply, high demand) to a surplus of 134,300 units (high supply, low demand).

Local and regional policy and investment choices made over the next two years will influence where we settle within these ranges and will shape our region's future. As we make these choices, questions to consider include:

1. What are some policy changes that could be made to increase the desirability (market feasibility) of higher density, mixed-use developments?
2. What is the right balance of incentives and urban growth boundary expansion policy to increase the region's rate of redevelopment and infill in centers, transportation corridors and main streets?
3. Will the region identify an infrastructure funding source to support development in past boundary expansion areas?
4. Will there be a market for higher density residential developments in urban growth boundary expansion areas (past and prospective)? If so, during what time frame? What are the characteristics of expansion areas where this type of development would be marketable?
5. What are the relative costs of investing in different locations?
6. Under what conditions is it no longer "reasonable" (per Statewide Planning Goal 14) to accommodate growth inside the existing urban growth boundary?

NEXT STEPS

This preliminary urban growth report that is designed to frame policy questions and choices for the region's residents and elected leaders to discuss and address throughout 2009. As such, it will evolve in response to public input and to any policy decisions made by local and regional governments this year.

This document is the first of two parts of the preliminary urban growth report and deals solely with the capacity to address residential needs. A second part, addressing the capacity of the current boundary to accommodate the forecasted employment growth over the next 20 years, will be released for public review in late April 2009.

This summer, regional leaders will engage in a more specific discussion of the long-term aspirations of local communities and the capacity assumptions in the preliminary analyses, culminating in a draft urban growth report to be issued in September 2009. This fall, the Metro Council, with the boards of commissioners of Clackamas, Multnomah and Washington counties, will adopt urban reserves to accommodate potential urban growth boundary expansions over the next 40 to 50 years, as well as rural reserves that will be off-limits for expansion during that same time period. These designations will be informed by the 2060 population and employment range forecast, released on March 19, 2009, as well as by the preliminary urban growth report.

In December 2009, the Metro Council will accept a 2030 population and employment range forecast and Metro will complete a report. This report will describe any gap in the capacity of the existing boundary that must be addressed through local and regional policy actions in 2010 and 2011.

Throughout 2010, local and regional governments will continue to implement policies and investments to create and enhance great communities while accommodating anticipated growth. By the end of the year, the Metro Council will submit to the Oregon Land Conservation and Development Commission its plans to accommodate at least 50 percent of any identified 20-year capacity need through efficiency measures designed to accommodate future growth within the existing boundary through boundary expansions. If there is any additional need to take further action to accommodate the forecasted 20-year growth, the Metro Council will consider urban growth boundary expansions into designated urban reserves by the end of 2011.

CONCLUSION

This report is not an end in itself. It provides a foundation for a robust public discussion about the type of region—and the character of its distinct communities—we want to provide to future generations, and provides an invitation to take part in that discussion and help shape this place we call home.

There are important choices to be made in the coming months. We have the collective knowledge, creativity, resources and vision to shape a healthy and sustainable future for those who come after us. The Metro Council invites the residents of the region to join in this effort to make our region the greatest place to live, work and raise a family.



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EXECUTIVE SUMMARY

2009 – 2030

Preliminary housing needs analysis

April 2009 draft



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INTRODUCTION

Considering housing affordability in our growth management policies and investments:

Anticipating how to best provide our region's residents with housing choices is more than an exercise in analyzing numbers. It is a process of understanding how people in different stages of their lives and with varied incomes choose how and where to live, of considering the capability of our region's public policies and the private market to meet resident's needs, and of exploring the implications of supporting a variety of housing choices. Broader trends such as infrastructure funding shortages and shifting demographics compel a reassessment of past practices in order to ensure housing choices in the future.

The preliminary housing needs analysis is a companion report to the preliminary residential urban growth report. The final version will be completed by December 2009 in order to address Statewide Planning Goal 10 (Housing), which requires that our communities' plans "...encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density." Our residents and leaders have further stated that our plans should consider whether policy and investment decisions are likely to lead to a more equitable distribution of the benefits and burdens of growth.

A new approach to assessing affordability

This analysis of future affordability uses a sophisticated approach that builds on many of the suggestions of a May 2008 analysis conducted by the Institute of Portland Metropolitan Studies at Portland State University¹. Noteworthy aspects of this study's approach include:

- Incorporating both housing and transportation costs into affordability.
- Defining cost-burdened households as renters that spend more than 50 percent of their before-tax income on housing and transportation. This is a more nuanced approach than the traditional blanket rule about spending more than 30 percent of income on housing.
- Using MetroScope, an integrated land use and transportation model, to predict future affordability, assuming the continuation of current policies and trends. The use of this model allows for a discussion of the market dynamics and policies that influence affordability.

Key findings and policy choices

Historically, most residents of this region have been able to choose from a variety of housing types that match their preferences and budgets. However, there is work to be done to ensure that future generations have the same range of choices and that those choices support the region's vision of creating vibrant and walkable communities, protecting air and water quality, and reducing greenhouse gas emissions.

If current policies and investments are continued, the number of cost-burdened households in the region may more than double from 95,500 in the year 2005 to 198,400 in the year 2030, bringing the percentage of households that are cost-burdened from 17 percent in 2005 to between 18 to 23 percent in 2030. Many of these households will be seniors on fixed incomes and the working class, some of which will have school-aged children.

¹ Report by the Institute of Portland Metropolitan Studies is available at www.pdx.edu/sites/www.pdx.edu/ims/files/media_assets/ims_metrohousingreport.pdf

Likely causes of cost burden

The increase in cost-burden does not appear to be caused by a shortage of vacant land or zoned capacity inside the urban growth boundary. Likely causes include:

Inadequate funding for infrastructure: this constrains housing capacity, which in turn makes it unaffordable for some households.

High market demand in urban centers and transportation corridors: this increases the value of land and the per-square-foot cost of housing. Multi-story development often requires more expensive construction materials and structured parking. Without public investments or choices of smaller residences, these higher costs get passed on to residents.

Insufficient transportation cost savings: Transportation cost savings offset housing price increases, but are not enough to guarantee affordability.

Policy choices

Urban centers and corridors are likely to be some of the region's least costly communities in the future, but this does not mean that they are affordable for all. The Metro region's leaders are counting on housing in centers and corridors to remain affordable in order to manage growth in a way that protects existing single-family neighborhoods and addresses new challenges such as climate change. To do so, concerted efforts are needed.

- New infrastructure investments can make better use of existing land inside the urban growth boundary.
- Incentives for mixed-use, multi-family development can reduce housing costs even further in urban centers and corridors.
- Policies that encourage the construction of smaller residences can provide more housing choices.
- Transit investments in centers and corridors can reduce transportation costs for residents.
- Wages are an important component of affordability—ensuring a healthy regional economy will be essential.

Potential shifts in housing preferences

In order to provide a starting point for discussion, this analysis makes the assumption that housing preferences in the future will be similar to what they are today. However, a rapidly changing world necessitates a reconsideration of how the region has traditionally planned for growth and whether those assumptions will be valid in the future. What is clear is that upcoming policy choices need to enable communities to adapt to changing circumstances. Some of the key trends to consider include:

Climate change is likely to increase the price of water and electricity.

Increasing energy prices could influence preferences for residential square footage and location.

Demographic changes are likely to result in a higher percentage of one- and two-person households.

Changing lending practices may make home ownership less common.

Increasing traffic congestion may make walkable, transit-accessible locations more preferable.

Infrastructure funding shortages may necessitate shifting more cost burden to home buyers, which could make housing more expensive.

GENERAL FINDINGS – PAST PERFORMANCE

In order to provide a picture of where the region may be headed in regard to housing needs and affordability, it is useful to assess our past performance.

Mix of housing types

One way to create activity levels necessary to sustain small businesses and vibrant downtowns is to encourage the construction of a greater share of multi-family buildings in those areas. In our region, the share of new multi-family construction has varied from year to year: about 46 percent in 2001, 44 percent in 2002, 33 percent in 2003 and 2004, and 48 percent in 2005. A higher share is generally associated with healthy economic activity, higher redevelopment rates, smaller lot sizes and a shift in housing demand toward central urban locations. All of these benefits can be encouraged through future policy and investment choices.

Lot sizes

Smaller average lot sizes indicate that the region is using its land more efficiently. From 2001 to 2006, lot sizes for new residential construction inside the Metro urban growth boundary varied from 4,000 to 4,800 square feet, with a weighted average of about 4,400 square feet. The average lot size for new construction from 1997 to 2001 was 5,700 square feet.

Affordability

In the past, the general rule has been that housing is affordable if it costs no more than 30 percent of a household's income. However, for a number of reasons, affordability is a concept that is hard to define.

To get a better sense of affordability, housing and transportation expenditures can be expressed as a percent of income. However, this metric has some shortcomings: some people are relatively wealthy despite having little current income and many people treat their home as not just shelter, but an investment. With those caveats in mind, by this measure the Portland region is about average when compared with other cities in the western United States.

In 2005², the average household in the United States spent \$15,167 on housing and \$8,344 on transportation³, for a total average expense of \$23,511 per year.

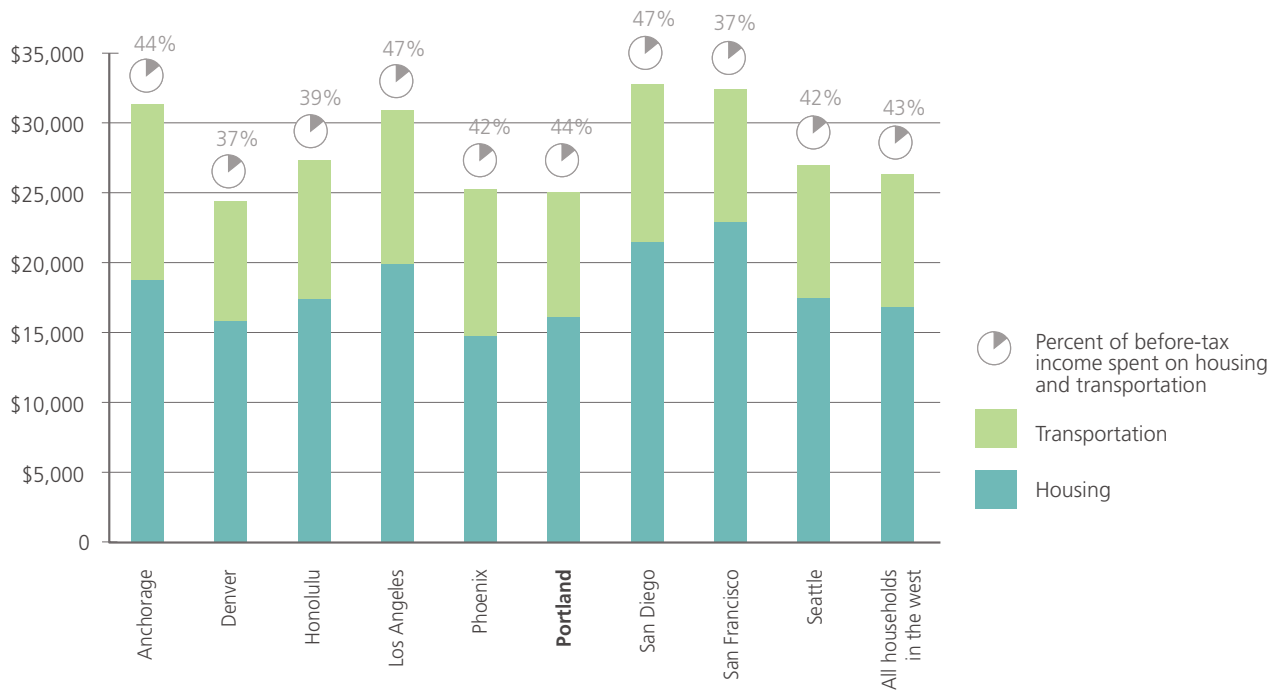
In the Portland region, the average household spent \$16,039 on housing and \$8,845 on transportation, for a total of average expense of \$24,884 per year. While this is higher than the national average, it is lower than average for metropolitan areas in the western United States.

² The year 2005 is used because data for the Portland region is only available through that year. The source of data is the United States Bureau of Labor Statistics.

³ Included here are all housing and transportation expenditures tracked by the Bureau of Labor Statistics. Housing costs include, for example, rent, mortgage payment, homeowners insurance, utilities, and furnishings. Transportation costs include, for example, vehicle purchase, gasoline, insurance, and transit fares.

Figure 1 Average annual housing and transportation expenditures per household and share of household income in western United States (2005)

Source: United States Bureau of Labor Statistics



GENERAL FINDINGS – FUTURE PERFORMANCE

One of the fundamental principles of this analysis is that we can plan for a range of possible future conditions. Possible futures are defined by ranges of population growth rates, possible market responses, policy and investment choices, and a variety of megatrends, such as climate change, that provide additional uncertainty.

MetroScope, an integrated land use and transportation model, can help illustrate the implications of continuing with current policies and investments. MetroScope is a market-based model that distributes forecasted households and jobs based on a series of policy and investment assumptions. MetroScope scenarios can provide us with information about future housing affordability.

Key scenario assumptions

These scenarios are based on the assumption that current land use and transportation policies and investments will remain unchanged. The scenario results are intended to serve as a starting point for discussion. A more detailed description of the scenario assumptions is available as Appendix 3 to the preliminary residential urban growth report. It is anticipated that many of the policy and investment assumptions will need to change to reflect ongoing policy discussions and city and county government decisions to modify their growth management plans. Finally, these scenarios do not account for possible shifts in future housing preferences (due to factors such as fuel prices and credit availability).

Use of a range forecast in the scenarios

In March 2009, Metro released a new population and employment forecast. Given the inherent uncertainty surrounding such predictions, the forecast is expressed as a range and estimates a 90 percent chance that there will be between 1.2 million to 1.3 million households in the seven-county region⁴ by the year 2030. The estimates also show between 1.3 million to 1.7 million jobs in the seven-county region by the year 2030. Not all of those households and jobs will be in the Portland metropolitan region.

Three scenarios were conducted for the purpose of informing this analysis:

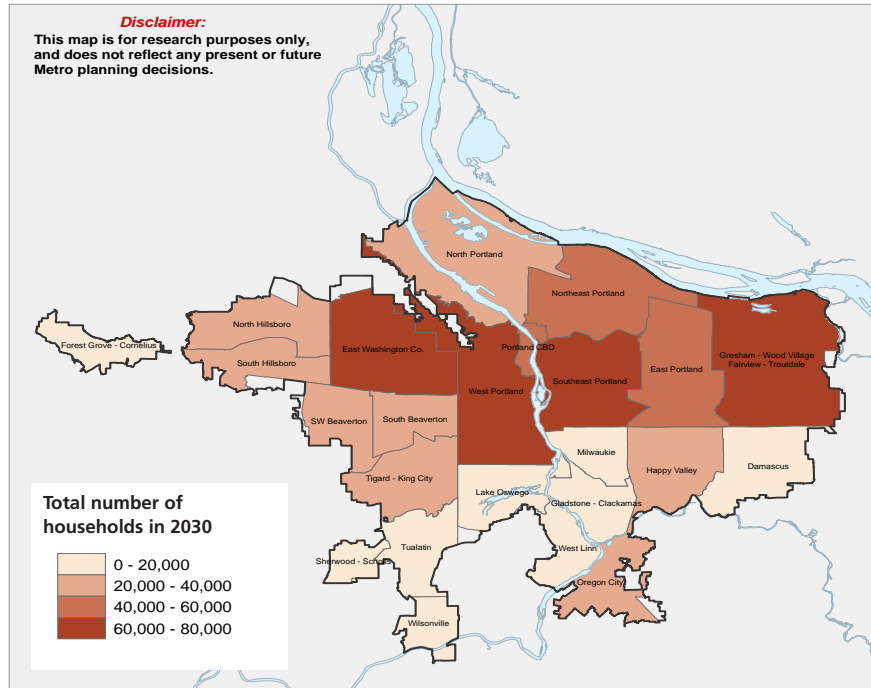
Low end	Middle	High end
of population and employment range forecast	of population and employment range forecast	of population and employment range forecast

MetroScope scenarios model the interplay between the population and employment forecast and a set of policy and investment assumptions. Because these scenarios do not test different policy options, only different population and employment growth rates, the results are frequently similar. For this reason, some results are reported just for the middle scenario. Household distributions and affordability results are reported as a range with the intent to provide local governments with a better sense of the degree and type of growth they may need to plan for, given current policy and investment trends.

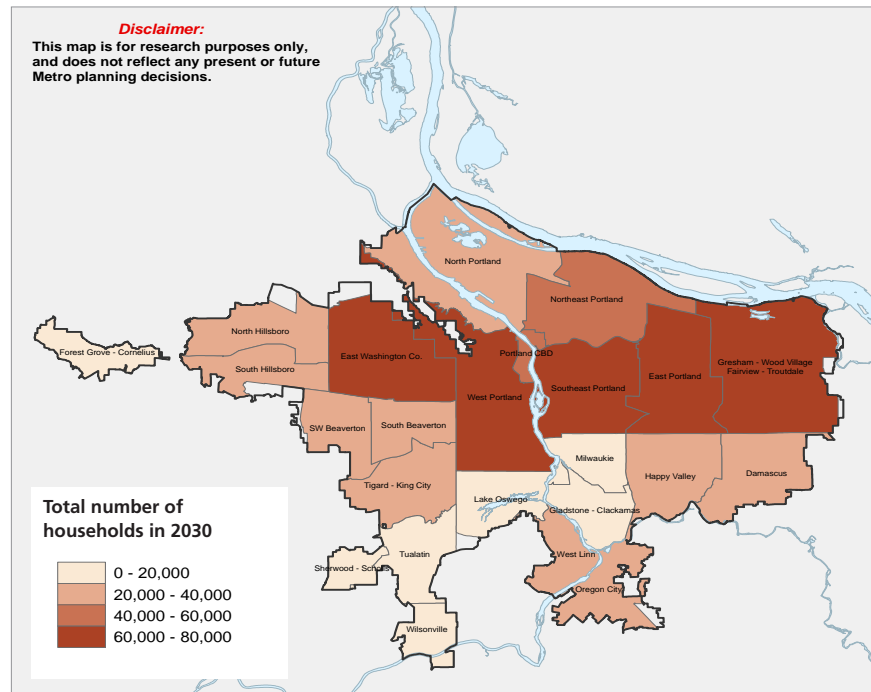
⁴ The seven-county region includes Clackamas, Multnomah, Washington, Clark, Columbia, Skamania, and Yamhill counties.

Maps 1 and 2 illustrate two possible distributions of households in the year 2030 under low and high growth scenarios (also summarized in tabular format in Table 1. These results would be different with a different mix of policies, investments or changes in housing preferences⁵.

**Map 1 Possible household distributions with current policy direction
LOW growth scenario**



**Map 2 Possible household distributions with current policy direction
HIGH growth scenario**



⁵ The capture rate assumed in the preliminary urban growth report is based on historic trends. MetroScope scenarios, on the other hand, produce a capture rate as an outcome of the scenario and its assumptions. Thus, though similar in scale, the number of households described here in the context of scenarios is not exactly the same as what is assumed in the preliminary urban growth report.

Table 1 Possible distributions of households in the year 2030, assuming current policies and trends

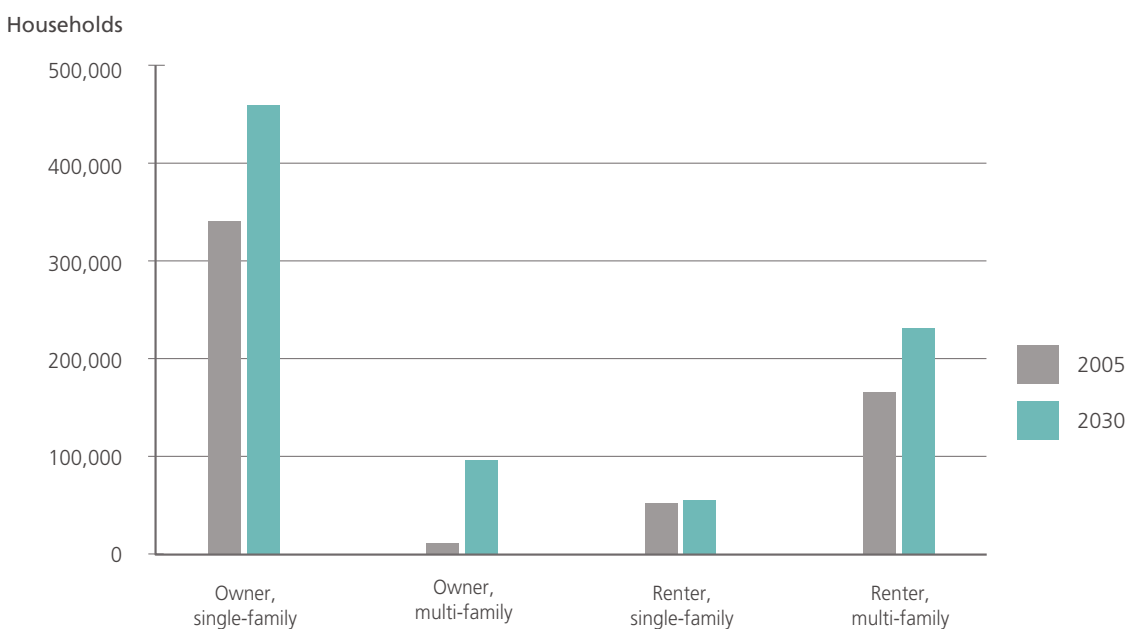
Subarea <i>City boundaries or portions thereof, based on census tracts.</i>	2005 estimate	Low growth scenario	High growth scenario	Difference low and high
Portland central business district	12,300	43,200	48,800	5,600
Northeast Portland	44,400	50,100	53,300	3,200
Gresham - Wood Village - Fairview - Troutdale	47,300	61,700	68,700	7,000
East Portland	44,000	59,200	65,400	6,200
Southeast Portland	68,300	76,900	79,500	2,600
West Portland	48,800	71,700	77,500	5,800
North Portland	22,400	29,000	32,300	3,300
Lake Oswego	16,400	18,500	18,900	400
Gladstone - Clackamas	16,800	19,400	19,800	400
Milwaukie	15,400	18,300	18,900	500
Happy Valley	15,300	21,500	23,800	2,300
Damascus	5,200	16,100	23,300	7,200
Oregon City	14,300	25,200	33,100	7,900
West Linn	10,000	16,500	20,900	4,400
Wilsonville	7,900	10,800	12,200	1,400
North Hillsboro	19,300	26,400	29,200	2,800
East Washington Co.	42,400	62,100	67,400	5,300
South Beaverton	23,200	26,600	27,000	400
Tigard - King City	26,400	34,300	35,900	1,600
Tualatin	9,900	14,800	17,700	2,900
Sherwood - Scholls	7,400	9,800	10,100	300
SW Beaverton	23,500	30,300	32,100	1,800
South Hillsboro	20,100	26,800	28,200	1,400
Forest Grove - Cornelius	11,500	15,900	16,300	400
TOTAL	572,500	785,100	860,300	

Mix of housing types and ownership

Assuming a continuation of current policies and trends, we are likely to see an increase in the total numbers of all housing types. The potential increase in multi-family units (150,000 more by 2030) is greater than the increase in single-family units (121,500 more by 2030). Researchers such as Dr. Arthur C. “Chris” Nelson, who has conducted pioneering research on urban settlement patterns, growth management and housing, have suggested that the focus of planning efforts needs to be on providing more apartment and condominium choices. The number and type of dwelling units that will be needed by the year 2030 will be included in an updated draft of this analysis to be released in September 2009.

Figure 2 Comparison of household types and ownership in Metro urban growth boundary, actual 2005 and forecasted 2030

Source: Middle growth scenario based on continuation of current policies and trends



Calculating housing and transportation affordability

In order to produce estimates of future housing and transportation expenditures for different household types in different locations, both historic and forecasted data are used:

Historic data: United States Bureau of Labor Statistics data on housing and transportation expenditures are augmented with other historic data on income levels, demographics, housing preferences and travel behavior.

Forecasted data: MetroScope scenarios produce forecasted data on household types (household size, income, age of householder), patterns of renting versus owning, and location choices.

Scenario results are analyzed and linked with the historic data. This analysis produces expenditure estimates for future households, depending on factors such as the household type, renting versus owning, and location.

A definition of “cost-burdened” household

For this analysis, cost-burdened households are defined as renters that spend more than 50 percent of their income on housing and transportation.

Homeownership represents an economic choice that requires some level of equity investment (recent lending practices notwithstanding). For this reason, this analysis assumes that to be cost-burdened, a household must rent, not own.

Because this analysis includes both housing and transportation costs, the standard rule that no more than 30 percent of one’s income should be spent on housing needs adjustment. In 2007, many low-to-moderate-income households in the United States spent well over 50 percent of their income on housing and transportation⁶. In 2007, the national median percentage of income spent on these costs was 45 percent. In the absence of an accepted standard, this report proposes that if a household rents and spends 50 percent or more of its income on transportation and housing, it may be considered cost-burdened.

As is the case today, in the year 2030, the amount that households spend on transportation and housing costs is likely to vary widely from community to community. Costs are likely to be lowest for those living in smaller square footage condos or apartments, particularly in locations with access to multiple modes of transportation, including transit. Many of the region’s urban centers and transportation corridors will be the most affordable places to live.

If we continue with current policy and investment direction, the number of cost-burdened households could double by the year 2030

In the year 2005, there were approximately 95,500 cost-burdened households inside the Metro urban growth boundary (about 17 percent of the households in Metro region). By the year 2030, if current trends and policies continue, between 18 to 23 percent of the households inside the Metro region could be described as cost-burdened. If the high end of the population range forecast is reached by the year 2030 and new policies and investments are not pursued, the number of cost-burdened households may more than double to 198,400.

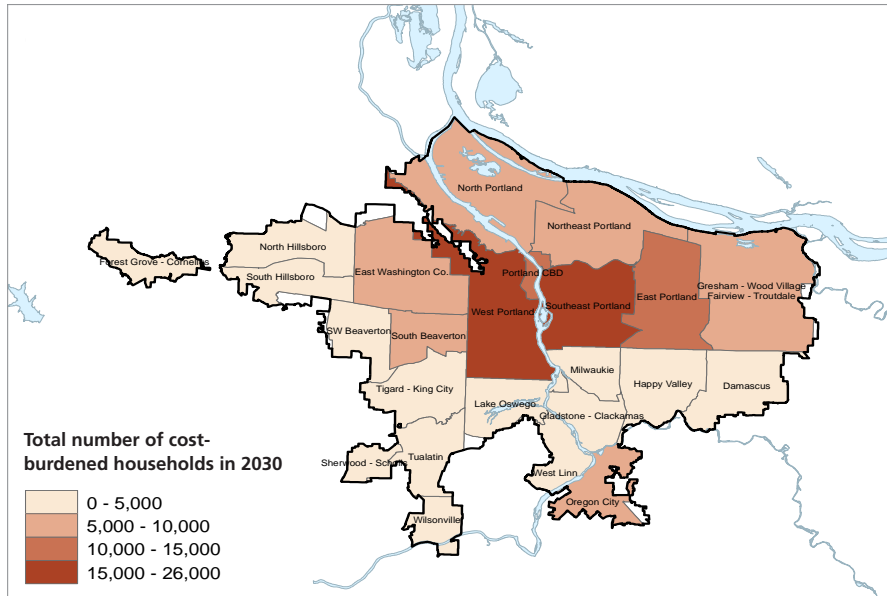
These MetroScope scenarios indicate that the central city, centers, corridors, and centrally-located neighborhoods are areas that are likely to remain in high demand in the future. While high market demand supports the development of multi-story buildings (where zoning allows), this type of construction often requires more expensive materials and structured parking, leading to higher costs per square foot of residence. However, these are also the communities where residents are likely to have the choice of smaller residences and multiple transportation options that save money. Though these urban center and corridor locations appear likely to offer the most affordable housing and transportation options, these scenarios indicate that there could still be many cost-burdened households, many of which choose to locate in urban centers and corridors to save money.

Table 2 provides a summary of the possible distribution of cost-burdened households in the year 2030. Areas that have lower numbers and percentages of cost-burdened households have not necessarily provided affordable housing options. In many cases, there are fewer cost-burdened households simply because there are limited affordable options from which to choose.

Maps 3 and 4 depict the possible number of cost-burdened households in the year 2030 by subarea (rough approximations of city boundaries, portions of larger cities, or combinations of smaller cities). Though cost-burdened households are predicted to be distributed throughout the region, many are concentrated in the Portland central business district, southeast Portland, and west Portland, where housing and transportation options could be most affordable.

⁶ Source: United States Bureau of Labor Statistics

Map 3 Total cost burdened households, LOW growth scenario



Map 4 Total cost burdened households, HIGH growth scenario

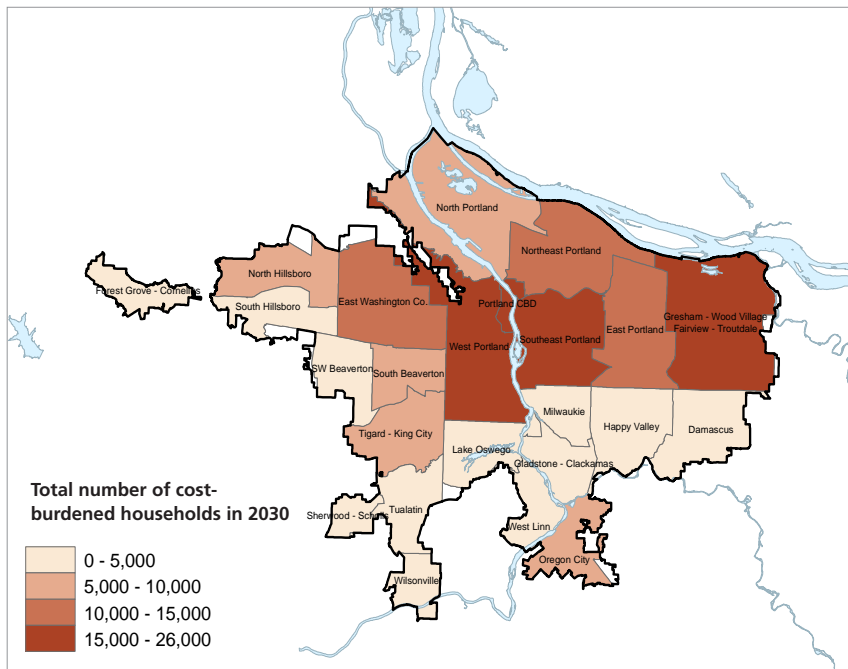


Table 2 Potential distributions of cost-burdened households by year 2030 under low and high growth scenarios

Subarea <i>City boundaries or portions thereof, based on census tracts.</i>	Low growth scenario		High growth scenario	
	Number of cost-burdened households	Percent of cost-burdened households	Number of cost-burdened households	Percent of cost-burdened households
Portland central business district	12,800	30%	16,500	34%
Northeast Portland	9,400	19%	13,500	25%
Gresham - Wood Village - Fairview - Troutdale	9,800	16%	18,100	26%
East Portland	11,000	19%	12,400	19%
Southeast Portland	18,400	24%	26,000	33%
West Portland	19,100	27%	23,600	30%
North Portland	6,000	21%	7,100	22%
Lake Oswego	2,100	12%	2,600	14%
Gladstone - Clackamas	2,900	15%	4,300	22%
Milwaukie	3,500	19%	3,600	19%
Happy Valley	2,500	12%	4,900	21%
Damascus	600	4%	1,300	5%
Oregon City	5,400	21%	7,200	22%
West Linn	900	6%	900	4%
Wilsonville	2,300	21%	3,000	25%
North Hillsboro	3,400	13%	7,800	27%
East Washington Co.	7,300	12%	14,300	21%
South Beaverton	5,100	19%	5,300	20%
Tigard - King City	4,300	13%	7,500	21%
Tualatin	1,600	11%	3,000	17%
Sherwood - Scholls	1,100	11%	1,500	15%
SW Beaverton	2,600	9%	4,900	15%
South Hillsboro	2,800	10%	4,600	16%
Forest Grove - Cornelius	4,400	28%	4,500	28%
TOTAL	139,300	18%	198,400	23%

POLICY IMPLICATIONS

In order to implement the region's long-range vision and address new challenges such as climate change, the region needs to maintain housing affordability in the central city, centers and corridors. These scenarios indicate that many urban centers and corridors, particularly areas in the City of Portland, will offer the most affordable housing and transportation options. However, if the region continues the current policy trends, many households will still be cost-burdened as housing prices continue to increase in all locations.

Increases in housing prices are not caused by a lack of zoned capacity or vacant land.

It appears that the primary causes of increased housing prices are the very success of efforts to enliven centers and corridors (which inherently leads to increased demand), the continued underfunding of infrastructure (which effectively reduces housing supply), inadequate public investments to offset multi-family construction costs, and a shortage of choices for people who want smaller, less expensive residences.

New ideas are needed to preserve our region's livability and affordability. A failure to maintain affordable housing choices in the central city, centers, and corridors may put additional growth pressures on existing single-family neighborhoods and push more residents to less central locations where they could be more susceptible to increases in energy prices.

Local and regional policy and investment choices will influence housing choice and affordability in the Portland metropolitan region. As we make these choices, questions to consider include:

- Are cities and counties willing to invest to make housing affordable in locations with good accessibility to various transportation options and essential services?
- Will the region identify an infrastructure funding source to support more housing choices in centers and corridors, thus reducing the effects of population growth on single-family neighborhoods?
- What are some ways that policies could be tailored so that they encourage the market to provide more housing choices such as accessory dwellings, cottage housing, and high quality manufactured housing?
- Is the region willing to address inequity in the distribution of cost-burdened households? Can public investments minimize the impact?

NEXT STEPS

This preliminary housing needs analysis – and the preliminary residential urban growth report released in March 2009, into which this analysis is incorporated – is designed to frame policy questions and choices for the region’s residents and elected leaders to discuss and address throughout 2009. As such, this analysis will evolve in response to public input and to any policy decisions made by local and regional governments this year.

This summer, regional leaders will engage in a more specific discussion of the long-term aspirations of local communities and the assumptions of the capacity of the existing urban growth boundary to meet the next 20 years’ worth of employment and population growth, culminating in a draft urban growth report to be issued in September 2009.

This fall, the Metro Council will, with the boards of commissioners of Clackamas, Multnomah and Washington counties, designate urban reserves to accommodate potential urban growth boundary expansions over the next 40 to 50 years, as well as rural reserves that will be off-limits for expansion during that same period. Reserve designations will be informed by the 2060 population and employment range forecast, released on March 19, 2009, as well as by the preliminary urban growth report.

In December 2009, the Metro Council will accept a 2030 population and employment range forecast and will adopt the final urban growth report, which describes any gap between the capacity within the existing boundary and forecasted demand.

Throughout 2010, local and regional governments will continue to implement policies and investments to stimulate and support the region’s communities while accommodating anticipated growth. By the end of 2010, the Metro Council will submit to LCDC its plans to accommodate at least 50 percent of any identified 20-year capacity need through efficiency measures designed to accommodate future growth within the existing urban growth boundary or through expansions if there is any need to take further action to accommodate the forecasted 20-year growth.



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April 21, 2009

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Terry Kem

Karen O'Connor Kruse

Bob Liddell

Claire Puchy

Lee Savinar

Ron Spencer

Board Member

Emeritus

Dave Marshall

As a follow-up to the April 8 Reserve Steering Committee, we want reiterate key concerns and provide maps and summaries of the natural landscape features and adjacent agricultural areas that we believe should be added as candidate rural reserves.

From the beginning of the reserve designation process, we have highlighted the need to consider important natural landscape features early in the process of designating reserves. We remain concerned that this is not happening and that the time remaining to credibly and defensibly apply the findings of the Great Communities Study and the factors proscribed by state law is increasingly short. We are particularly concerned about the timeline given the size of the candidate urban reserves and the dearth of information provided to the Reserve Steering Committee regarding how natural landscape features are being considered in the designation of reserves. Finally we have specific requests regarding the location of the candidate rural reserves in Clackamas County.

Size of Candidate Urban Reserves

The counties have designated almost 150,000 acres as candidate urban reserves. While we understand these areas are only been designated for additional analysis, there remains less than three months left to complete that analysis and recommend urban reserves. Meanwhile, all three counties have designated high value natural features and conservation priority areas as candidate urban reserves. For example candidate urban reserves designated in the Tualatin River floodplain in Washington County, the Tualatin Mountains in Multnomah County, and portions of the Willamette Narrows/Canemah Bluff, Mollala River Floodplain, and the Tonquin Geological Area in Clackamas County are all conservation priority areas within the Willamette Valley.

Designating many of these areas urban reserves could pose high risk for native biodiversity in the Willamette Valley and undermine the ecological and geographic integrity of the natural features that define and distinguish the region. While any natural feature included in urban reserve should be protected, restored, and managed as part of a comprehensive urban design, we have no illusions about the challenges politically and practically in doing that once land is brought into the UGB. Even if the geographic integrity of these areas is "preserved" inside an urban reserve, the impacts from adjacent urbanization (e.g. fire suppression, invasive species, human recreation, and domestic animals) will be difficult, expensive, and perhaps impossible to manage. *Therefore, we believe that a*

defensible application of the factors to designate a natural feature within an urban reserve necessitates a credible assessment of whether the designation will preserve the natural feature's ecological and geographic integrity. We have yet to see this type of analysis or consideration in designating urban reserves.

Finally, we share the concerns of other Reserve Committee members that the Core Four is on track to designate urban reserves so expansive that they will undermine the foundations of the region's agricultural and knowledge-based economy; thwart the region's goals to foster a socially equitable and ecologically sustainable region; and seriously jeopardize Oregon's efforts to mitigate and adapt to the affects of climate change. These are all issues directly or indirectly pertinent to the Great Communities Study and the factors Metro must consider in designating urban reserves.

Location of Candidate Rural Reserve Clackamas County

In Clackamas County there are key gaps in the designation of candidate rural reserves for natural features that- ecologically or geographically- could or should define the natural boundaries of the region.

Generally and at very least, we believe that counties should consider the following natural features adjacent to the existing UGB as candidate rural reserves and- for the same reasons deem them least suitable- for urban reserves.

- Nature Conservancy Conservation Priority Areas.
- ODFW Conservation Opportunity Areas.
- Metro Habitats of Concern.
- Tier 1 and 2 Acquisition Target Areas under the 2006 Regional Bond Measure.
- Floodplains along major rivers and their confluences.
- Farm or forest lands providing buffers between the above landscape features and existing or future urbanization.

The candidate rural reserve designations in Multnomah and Washington Counties include most or all these natural features, where candidate urban reserves have also been proposed. Multnomah and Washington County designation are relatively more congruent with watershed boundaries. Using a similar approach to the designation in Clackamas County would regional consistency. To these ends, we specifically request that the following areas in Clackamas County be included as candidate rural reserves:

I. Clackamas Bluff and Deep Creek Watershed: Portions of the Clackamas River bluff south and east of Damascus that drain directly to the Clackamas River or to the Deep Creek canyon are part of the Clackamas River corridor and/or provide a buffer to the Corridor. Deep Creek itself is a Tier 1 and 2 acquisition priority for Metro under the 2006 Natural Areas Bond Measure. These areas encompass Metro Habitats of Concern and a Nature Conservancy Conservation Priority Area.

II. Mollala River corridor and floodplain: The Mollala River corridor is an ODFW Conservation Opportunity Areas.¹ The 100-year floodplain provides a buffer from the City of Canby. These areas are also foundation agricultural lands. Both these areas should be a candidate rural reserve.

III. Willamette Narrows and Canemah Bluff: There are currently portions of Willamette Narrows and Canemah Bluff that should be candidate rural reserve. These areas are encompass ODFW Conservation Opportunity Areas,¹ Nature Conservancy Conservation Priority Areas, Metro Habitats of Concern and/or the Willamette River floodplain. The mix of fire-dependent vegetation and rare plant species at Willamette Narrows and Canemah Bluff make it one of more difficult areas to protect from the proximal impacts of urbanization.

IV. Wilson Creek Watershed in the Stafford Basin: Most of Wilson Creek Watershed in the Stafford Basin is a Metro Habitat of Concern and should be included with the existing candidate rural reserves in the Stafford Basin.

V. Johnson Creek Watershed: The rural portion of the Johnson Creek watershed in Multnomah County is a candidate rural reserve. On the Clackamas County side the watershed is a patchwork of candidate designations (rural reserve, urban without rural reserve, and neither). For the reasons outlined in the Johnson Creek Watershed Council's March 25 letter to the Multnomah County Reserves Advisory Committee, we believe the entire watershed outside the UGB should be considered as a rural reserve.

Please see the attached maps detailing the specific additional natural landscape features we request be added to the candidate rural reserves in Clackamas County.

Thank you for your consideration.




Sincerely,



Jim Labbe
Urban Conservationist
Audubon Society of Portland

¹ For more documentation on the specific ecological values of ODFW Conservation Opportunity Areas see:
http://www.dfw.state.or.us/conservationstrategy/document_pdf/b-eco_wv.pdf

Proposed Candidate Rural Reserves

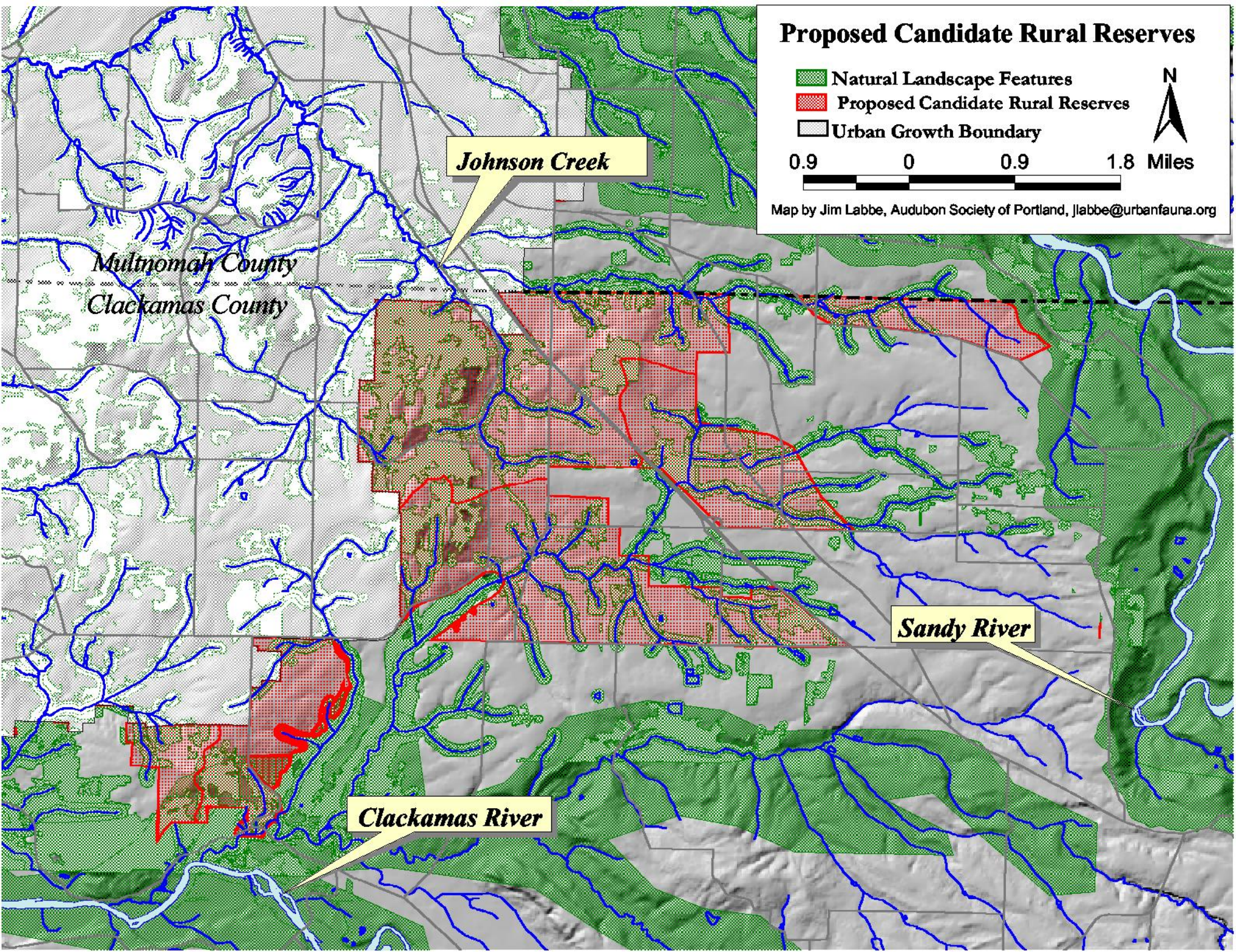
-  Natural Landscape Features
-  Proposed Candidate Rural Reserves
-  Urban Growth Boundary



0.9 0 0.9 1.8 Miles



Map by Jim Labbe, Audubon Society of Portland, jlabbe@urbanfauna.org






Johnson Creek

Multnomah County
Clackamas County

Sandy River

Clackamas River

Proposed Candidate Rural Reserves

-  Natural Landscape Features
-  Proposed Candidate Rural Reserves
-  Urban Growth Boundary



0.9 0 0.9 1.8 Miles

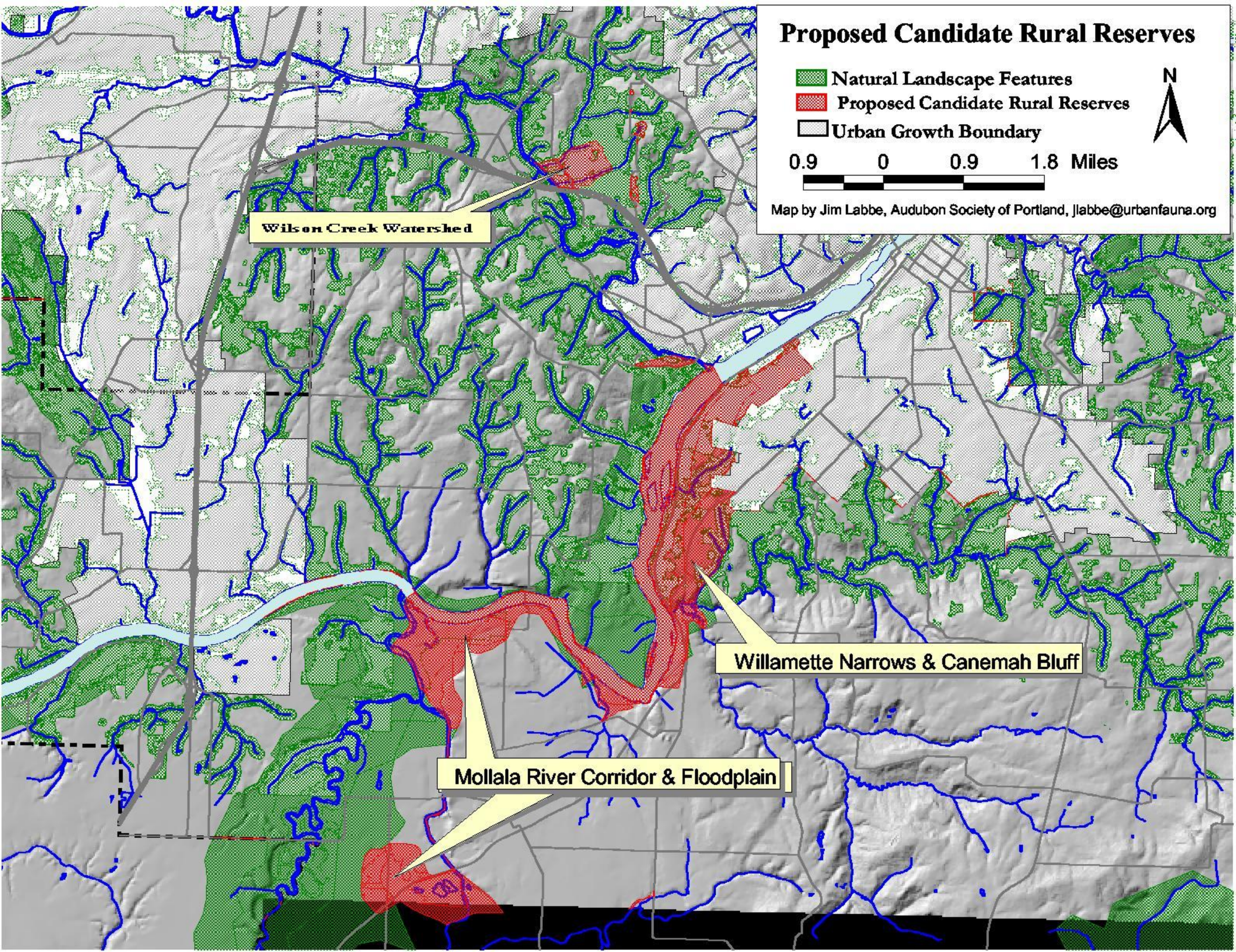


Map by Jim Labbe, Audubon Society of Portland, jlabbe@urbanfauna.org

Wilson Creek Watershed

Willamette Narrows & Canemah Bluff

Mollala River Corridor & Floodplain



BORLAND NEIGHBORHOOD ASSOCIATION

PO BOX 2054

Lake Oswego, Oregon 97035

April 8, 2009

Metro Reserves Steering Committee
Metro Regional Center
600 NE Grand Ave,
Portland, OR 97232

Dear Metro Steering Committee Members:

We are the land owners in the Borland Neighborhood currently in Unincorporated Clackamas County. The area is defined as being South of the Tualatin River and North of I-205 bordering the City of Tualatin to the West. The undersigned list of owners represents over **82%** of the non-government owned land in the Borland Neighborhood (see attached map). We have been meeting for many years as a group of owners to discuss our ideas and concerns for the area. We are writing this letter to express our desire to be placed into the Urban Reserves and the Urban Growth Boundary in the current planning cycle.

Our area has been studied for development several times and has been classified by METRO as Area 34. The area was brought into the Urban Reserves by METRO in 1997. During this time, the Wanker family sold over 18.5 acres of land to METRO along the Tualatin River to be used as a public park in conjunction with the urban development of the area. One year later, METRO decided to re-study the entire Tri-County area for growth and all plans were put on hold. We would like to build upon these early studies and move beyond our unincorporated status to be able to create a truly great community.

We are active members of the Stafford Hamlet. We have participated in the town hall meetings, neighborhood meetings, the creation of the values statement, and the development of the community vision plan. While developing the community vision plan, one of the key areas of consensus from the Hamlet has stated that the Borland Area is the most amenable to development to higher residential density and for employment opportunities. We will continue to work with the Hamlet and support the goal of a community vision plan. We write this letter as a unified neighborhood within the Hamlet that has unique features that are suitable to urban development.

One of the key themes that METRO and Clackamas County have been promoting is the importance of local aspirations. The land owners in the Borland Neighborhood overwhelmingly support inclusion into the Urban Growth Boundary and support smart, sustainable, dense urban development in our area.

The fact is that the Borland Neighborhood has already been urbanized. The area already includes several schools, retail shops at Wankers Corner, a commercial lumber yard on Borland Rd., several large churches including the Rolling Hills Community Church, a multi-million dollar freeway interchange, a multiple lane round-a-bout and a planned multi-lane bridge expansion.

However, with the current zoning restrictions in Unincorporated Clackamas County, there are very few options for any kind of new development. One of the only options available to landowners is to sell to non-profit organizations, such as mega-churches. Several churches already surround the Stafford Intersection, and without incorporation into the UGB, more churches will certainly develop in this area. This is hardly the best and highest use for this property.

The questions below are taken directly from the Urban Reserve Factors Summary. When these questions are studied against the location, infrastructure, and demographics of the Borland Neighborhood, the answer becomes clear that the area can support a sustainable urban development while preserving the unique character of the area.

Is the land developable at urban densities?

Absolutely. The existing infrastructure combined with large, open, level tracts of land provides an excellent opportunity for high density residential and commercial development.

The Borland Neighborhood Area (included in the Stafford Triangle Area) is the ONLY land inside of the I-5 / I-205 corridor that is not currently inside of the UGB. **Inclusion of the Borland Neighborhood would not be sprawl, but rather, urban infill.**

The Borland Neighborhood already has direct access to the major freeways and arterials in the Metro Area including:

- Direct access to the recently expanded 6-lane I-205 Freeway from the Stafford Rd. Exit Intersection.
- Two ways to access I-5: Access to Northbound and Southbound I-5 from I-205 (3 miles) & access to Northbound and Southbound I-5 from Borland Rd. (3 miles).
- Access to Northbound and Southbound Highway 43 from Stafford Rd (5 miles).
- Access to Wilsonville directly from Stafford Rd.

Will it make efficient use of public infrastructure investments?

With the current infrastructure and location, the Borland Neighborhood is the best opportunity for economic growth in Clackamas County with the lowest cost to taxpayers. The Borland Neighborhood has the unique potential to be an Urban Town Center with much of the necessary infrastructure already in place. The City of Tualatin studied the Borland Neighborhood (also known as METRO area 34) in 2001 and concluded that the development potential for commercial growth would more than pay for all necessary infrastructure costs.

Many of the most expensive infrastructure items have already been extended to the Borland Area. The area is served by the recently upgraded 6-lane I-205 freeway, the upgraded Stafford Interchange (to include signal lights), and the soon to be upgraded Stafford Road crossing Tualatin River Bridge. The area is also bordered closely by 3 highly developed cities able to provide close access to water and sewer connections.

Does the area contain the right type of land to support a healthy economy?

The Borland Neighborhood has unique characteristics that are appealing to residential life with direct access to the Tualatin River and public open spaces, and also appeals to commercial business with the close proximity to both major freeways.

The area could support thousands of new jobs and serve the expanding population base in the area. It would attract several different yet complimentary types of commercial development. Some options include:

- Medical office buildings - With Meridian Park Hospital only 2 miles away, the area could support several different types of medical services.
- Campus development – The area has the unique potential to attract companies looking to develop a campus close to a major metro area. This type of development includes high-paying jobs and supports many offshoot businesses.
- High Tech & Sustainable Industries – With Oregon leading the country in the sustainable movement, this area provides the opportunity to attract these progressive companies and jobs.

Can the area be efficiently served with public schools and other urban services?

The Borland Neighborhood already contains 2 public schools. It is within a very close proximity to additional schools in West Linn, Lake Oswego, and Tualatin. The Borland Area also contains several churches and is within 2 miles of Meridian Park Hospital.

Can the area be designed to be walkable and served with a well-connected system of streets, bikeways, recreation trails, and public transit?

This may be the greatest advantage of the Borland Neighborhood Area. The area could support a modern Town Center development with connectivity to public opens spaces and adjacent communities. The goal of a truly sustainable community would include preserving trails along the river that could connect to walking and biking trails leading to the Town Center.

Options for public mass transit include the potential of MAX expansion along I-205 and streetcar expansion through Lake Oswego.

Does the area have sufficient land to provide for a range of housing types?

The Borland Neighborhood contains roughly 250 acres of developable land out of approximately 500 areas in total. The Town Center style of development would be able to incorporate a wide range of complimentary type of housing including multi-story residential buildings, mid-size town houses, and single family residences.

Can the area be developed in a way that preserves important natural landscape features?

Again, the Borland Neighborhood landowners want to preserve our important natural resources in the area and follow the principles in the Stafford Hamlet Values Statement. We feel that a sustainable Town Center community could develop as a model to other areas. The greatest natural feature in the area is the Tualatin River. This can be protected as a valuable asset similar to the South Waterfront Development.

Can the area be developed in a way that minimizes adverse effects on farm and forest practices?

The area contains several stream corridors and wooded areas that can and should be protected. With the density developing from the freeway out towards the open areas, potential effects on the existing landscape can be significantly mitigated.

The Borland Neighborhood helped develop and supports the Values Statement that has been issued by the Stafford Hamlet. The preservation of the natural resources of the area and the character of the Stafford Triangle are very important to the property owners in the Borland Neighborhood. Any development needs to be focused on enhancing these resources such as the Tualatin River and our water supply. This area may be a perfect opportunity to incorporate the LEED Neighborhood Development principals in creating a true green Town Center.

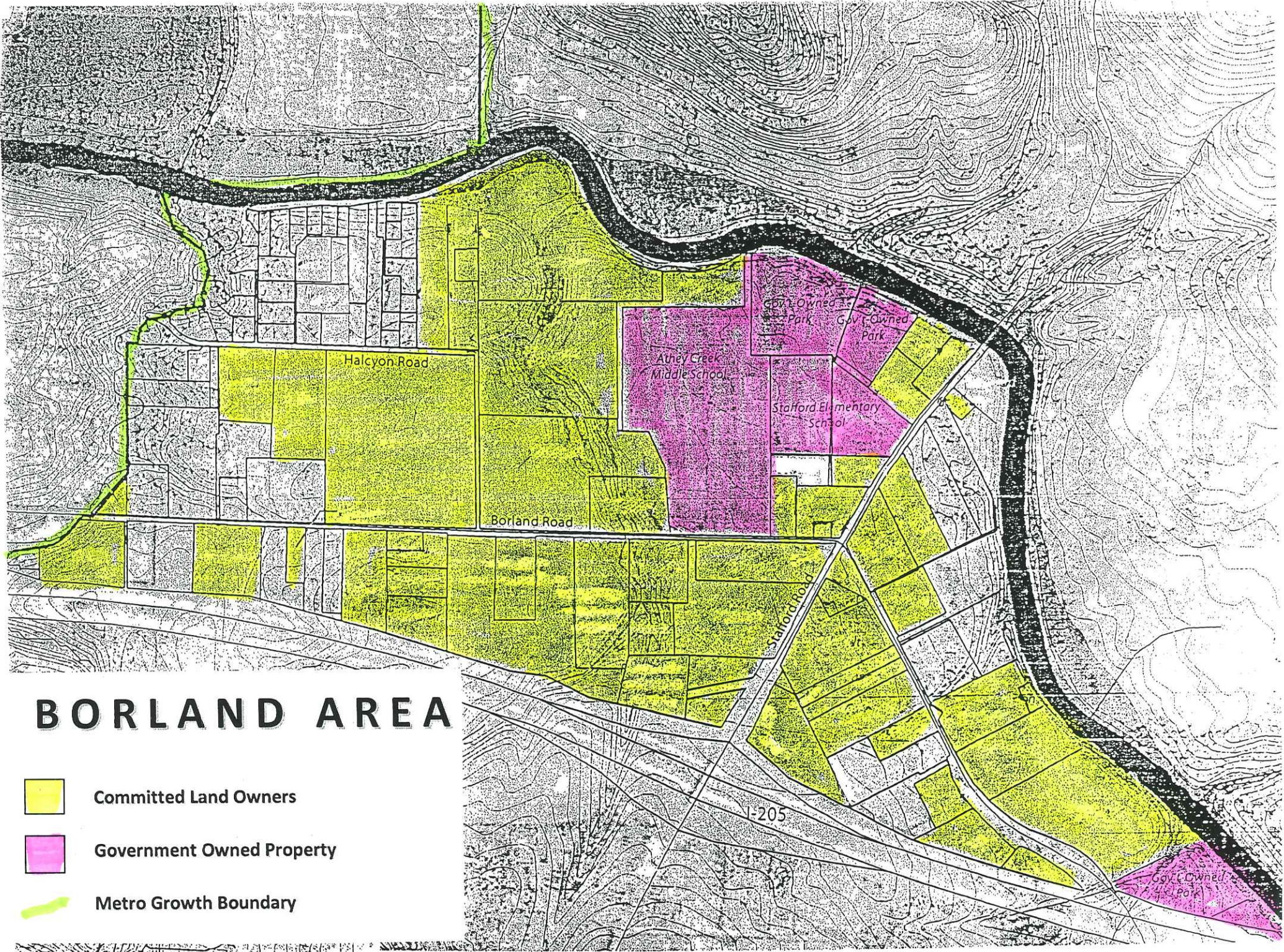
We hope that this letter can serve as an introduction to start a dialogue about the future of our area. We appreciate your time in evaluating not only our area, but the hundreds of other areas within the METRO Study Area. We want to see our community develop in the best possible way, and we know that the careful analysis being done by Clackamas County and METRO will ensure that future development will be well thought out.

Sincerely,

Borland Neighborhood Association Property Owners

Robert Hornberg
Jerry and Lois (Wanker) Tolbert
Gramor Development
Lee Schaber
Mike Hellberg (Schaber)
Parr Lumber
Stafford Investments, LP
Karen and Randy (Ek) Schultz
Cheryl (Wanker) Saarnin
Larry and Valarie Shodin
Bob Smetz
London McNish
Debra Hanson
Ronald Preston

Treadline Construction, Ovie Ragalie
Paul Lee
David Waldrum
Len Schaber
Rolling Hills Foundation
S&H Logging
Raffi Arakelian
Dennis 7 Dees Landscaping, David Snodgrass
Thomas and Marian Sawtell
Chris and Heidi Guettler
Cathleen Walker
Walter and Loraine Denley
Rolling Hills Community Church
Linda Unti



BORLAND AREA

-  Committed Land Owners
-  Government Owned Property
-  Metro Growth Boundary

Halcyon Road

Borland Road

Stafford Road

I-205

Athey Creek Middle School

Stafford Elementary School

Govt Owned Park

Govt Owned Park

Govt Owned Park



SFA Design Group, LLC

STRUCTURAL | CIVIL | LAND USE PLANNING | SURVEYING

April 16, 2009

Clackamas County Reserves Policy Advisory Committee
C/O Maggie Dickerson
Clackamas County
Portland, OR 97232-2736

RE: **50 Year Perspective – Wilsonville - Urban & Rural Reserves.**

Dear Reserves PAC Committee Members:

I have been working with the City of Wilsonville over the past year or so, beginning with the Planning Commission's work on their 20-Year Look. My coordination with the City continues as they participate in the current process for designating Urban & Rural Reserves.

My interest in the Reserves process is both professional and personal. I live in Wilsonville, and also am a former planning director for the City. As an urban planner I also serve the interests of a wide variety of clients, and in this case, the particular interests of one client related to Wilsonville's Expansion Area 9.

First, I want to commend the City, Staff and Planning Commission on the excellent work done to date under their 20-Year Look. The City has thoughtfully considered the community's future in evaluating logical expansion areas. They have also taken the time to clearly define their "Aspirations" related to Metro's "Greatest Communities program.

I am pleased and proud of the City's continued work on sound long range planning. My only concern is that I do not believe the Wilsonville has adequately considered growth demands beyond their 20-Year Look.

Short Term Perspective

I fully agree with the City in the short term, and even out over the next 20 years. But I foresee a need for further expansion when we look out 50 years, as is the focus of the Reserves process. So, it is important to put my comments into the context of a 50 year planning horizon.

The work that Wilsonville has done so far is very good, and provides them with a good framework for future UGB expansions once the Reserves process is completed. The 10 Expansion Areas the City has identified and evaluated give them sufficient land opportunities for a 20 year window.

However, we are not currently looking at Metro's normal Periodic Review of the UGB. We are current involved in a process to **designate Urban & Rural Reserves**, which are intended to cover a 50 year planning horizon.

In the context of periodic boundary adjustments, which Metro (typically a 5-year cycle), I believe Wilsonville is spot on. With the current high vacancy rate in industrial inventory, the Coffee Creek Industrial Expansion Area, the unplanned Frog Pond Expansion Area, and the undeveloped portions of Villebois for residential growth, there is clearly no pressing need for further expansion of Wilsonville's UGB in the next 5-10 years.

In the longer term, 10-20 years, the City has identified 10 Expansion Areas which will provide land needed for continued residential development. Over this same period, there may also be a need for more industrial land, which currently has not been identified.

I believe that the only use category that is likely to be adequately covered for the long term is commercial. I would anticipate that the community's commercial needs can be covered by full development and most likely redevelopment within the existing commercial districts.

Commercial and to some extent industrial land is much more susceptible to redevelopment due to land value increases and new marketing trends than is residential land. Looking out 20+ years, I can envision major re-development within the Town Center much like Tannesbourne Mall. Over the past 30 years in Wilsonville has already seen Lowries Shopping Center, WV primary school, and the Moyer Theater redeveloped. And, I expect more redevelopment as vacant land becomes scarce and land values increase. I also expect redevelopment to be more vertical resulting in more efficient use of limited land.

Industrial development, like commercial goes through trends, as well as being affected by the economy. The current high vacancy rates in industrial buildings is a combination of several factors, including the weak economy, a shift from major local distribution to overnight delivery (UPS & Fed Ex), and moving of manufacturing off-shore. In the future we can expect new industrial trends, much of it triggered by current economic stimulus efforts. For example, I can envision a shift back to local manufacturing, particularly related to alternative energy R & D and products.

Historical Perspective

Relative to Metro's current process, it is essential to recognize that the **Urban & Rural Reserves** are intended to cover growth needs of the City out **50 years**. This is a daunting task, to say the least, particularly given that Wilsonville has not even existed as an Incorporated City for 50 years. So, putting the Reserves process into perspective, the task before Wilsonville is to anticipate the future of this community for a period of time that is 10 years longer than the City has existed to date.

If we look back 50 years, Wilsonville, as a City, did not exist. Just looking back at the past 40 years, Wilsonville has grown from a rural area to a sub-urban community in the 70-80's and now is becoming a thriving urban community. As I recall, when the City was incorporated in 1969 it consisted of the following:

- The I-5 Freeway was just being completed;
- The population was right at 1,000, within about 4 square miles;
- Charbonneau was a farm, as was the whole westside (95th Avenue) industrial area, and neither area was within the City's incorporated boundary;
- Lowries shopping center was the commercial core of the City, with the Silver Leaf Inn, Mr. Roger's Café, a couple of service stations on each side of the freeway, and Burns Bros. Truck Stop at the north end;
- Industrial employment was limited to a few businesses such as Wilsonville Concrete, Metalcraft, and Gaylord Industries; and
- The dominant land use was hazel nut orchards and hay fields

Then, Tektronics (now Xerox) came to town, followed by Payless (now Rite Aid) and we all know what has occurred since then. The City's population has grown to over 17,000, with around 18,000 jobs supported by local businesses.

With a modest bit a bragging, I would say, that for the most part, the growth that has occurred was anticipated in the City's early planning efforts. I recall in 1978 telling the Planning Commission that it was important to plan ahead, because there was so much vacant land, and there was good freeway access. To emphasize the point I noted that if you stand on the Boeckman Overpass of I-5, you are within 60 minutes of 80% of the population of Oregon. This geographic factor will continue to put growth pressure on Wilsonville over the coming decades, as it has in the past.

In adopting the City's first official Urban Growth Boundary, the planning area was substantially reduced with the adoption of the 1980 Comprehensive Plan, as compared to the 1975 General Plan. The 1975 Plan was a grand vision that covered a 26 square mile area.

In contrast, the 1980 Comprehensive Plan reduced the boundary to about 6 square miles, including Charbonneau and the westside (95th Avenue) industrial area. That boundary actually carried the city for about the planned 20 years. Since 1980, the only adjustments to the City's UGB have been the Villebois, Coffee Creek Industrial, and Frog Pond areas. These additions have increased the overall boundary to around 7.5 square miles. These adjustments were made to support continued growth beyond the original 20 year horizon.

Given the current economic downturn, the amount of land currently available for all uses is probably sufficient for the next 5-10 years. So, we can reasonable assume the current boundary will get Wilsonville through its first 50 years. With the 10 Expansion Areas there is enough land for at least 20 years, except for maybe industrial growth.

50 Year Perspective

But as you know, it is the next 50 years we are now looking at with the Reserves Process. So, using the past as our guide, over the next 50 years we could reasonably expect a similar amount of growth to occur as will have occurred over the first 5 decades (approximately 4,800 acres, including all uses, streets, open space, etc.).

Over the course of Wilsonville's history, the region has seen at least three economic boom and bust cycles, with various spurts and stalls in between. There is no reason to suspect that the future will be all that different in terms of economic cycles and growth trends.

But, given the Region's commitment to Compact Urban Form (2040 Plan), we can expect that land development will occur at a slightly higher density than in the past. These changes to more efficient land use patterns may account for a reduction of about 25% in land needs. Thus, factoring in for efficiency, we could expect a 50 year need for somewhere around 3,600 acres.

The 10 target expansion areas identified in the City's 20-Year Look will provide 1,832 gross acres, or about 40-50% of the 50 year demand for land. So roughly speaking an additional 1800 acres might be needed to cover the 50 year planning horizon.

Community Identity & Other Limitations

Certainly, demand for land is not the only factor, nor is history. That is what makes this Reserves Process so challenging. There are desired community design concerns, and infrastructure funding issues, as well as maybe physical constraints on infrastructure that must also be considered. But, many of these issues can only be anticipated and actually dealt with over time.

Historically, Wilsonville has benefited from the visual and physical separation from the rest of the Metro Region by the rural area to the north, foothills east and west, and the river to the south. This geography gives the community distinct identity. But, with this area now in the UGB, there will be pressure to close the gap between Wilsonville and Tualatin. There will also be pressure for growth to the east and west. So, as noted by the City of Sandy, there is some value to utilizing Rural Reserve designations to maintain community identity, while also protecting valued resource lands.

Infrastructure Limitations

The City staff is in the process of assessing anticipated limitations for urban infrastructure, such as waste water treatment capacity. These factors must logically be considered. But even here, we do not know what technologies might be developed, which could expand treatment capacities beyond what they are today.

There is a whole unknown realm of technological advances that could affect urban planning and design. So, I believe it is not good planning practice to simply say we know we might have a problem and set that as a limit. It is certainly appropriate to identify known limits, but it is not good planning to just stop there. Consider:

When President John F. Kennedy made his bold declaration that we would put a man on the moon and bring him home, within the next decade, he knew we did not have the current technology available to accomplish the mission. But, nine years later the mission was completed.

I believe it is essential to recognize that nationally and within Oregon we have been living off of the Federal Infrastructure investments made in the 1950-70's, for freeways, sewer and water projects. The useful life of those investments has or is running out, and we will need to make major re-investments in order to deliver the next 50 years of growth. This is a message that must continue to be expressed to Congress.

We must always remember that planning and execution are two different aspects of the process. Planning set the direction and objectives all at one time, while execution is implemented incrementally.

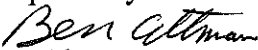
Designating Urban Reserves is a daunting task. But, my biggest concern is that this is a process is not likely to occur again for decades, for the very reasons it is so challenging and time consuming.

The underlying intent of the Reserves process is to provide a 40-50 year window for UGB expansions, without continually wrestling with protection of rural and agricultural resource lands. My concern is emphasized by the reality that once Rural Reserves are designated, they can not be alter for the designated time period (40-50 years, or whatever timeframe Metro sets). So, it is critical that Wilsonville, the County, and the Region gets it right, now, by looking far enough into the future, and by anticipating the unanticipated.

Providing for Long Range Options

So, in closing, again, I thank the City for the great job done so far. I also thank all those participating on advisory committees, and our elected official for all giving your time to this process. I just encourage you to not be too short-sighted in looking into the crystal ball. **50 years** is a long time to plan for, but that is what must be done.

Respectfully Submitted;


Ben Altman
SFA Design Group
Senior Planner/Project Manager

cc: CORE 4 and
Regional Reserves Steering Committee

Urban & Rural Reserves
Clackamas County Reserves
Wilsonville 20-Year Look

Materials following this page were distributed at the meeting.

Date: May 13, 2009

To: Core 4 and Reserves Steering Committee
c/o Laura Dawson Bodner
Metro
600 NE Grand Ave.
Portland, OR 97232

From: Carol Chesarek

Core 4 and members of the RSC,

My name is Carol Chesarek. I live in Forest Park Neighborhood, and I'm a member of the Multnomah County Reserves Citizen Advisory Committee, but I'm not representing either of those groups today.

I'm frequently impressed by the quality of work done by Metro staff. But the Natural Hazards Tech Memo has some shortcomings that need to be addressed.

While I'm pleased that several different types of natural hazards were evaluated, including Wildfire and Earthquake hazards, there are additional information sources that should be used and the analysis could be improved.

Wildfire

Why are we using only ODF's statewide wildfire hazard map to rate the Reserves study area relative to the rest of the state? A "low" wildfire hazard rating in the statewide system could still represent a significant risk to lives and property, and indicate an unwise level of risk to a future urban area.

The state rating system¹ depends, among other things, on population density, home density, presence of community infrastructure, and spacing between homes. These factors, and the overall Wildfire hazard rating, could change dramatically if a rural area is developed at urban densities.

Applying these ratings, created based on existing rural levels of development, to possible Urban Reserves seems inappropriate. Assessing the risk for possible Urban Reserves appears to require some projection about these risk factors onto rural areas. This might be possible based on Wildfire Hazard ratings for existing urban areas with similar conditions.

Limited access and low water pressure are also potential issues in assessing wildfire risk in some areas. For example, Portland's Wildfire Risk Reduction's Key Messages web page for Forest Park notes that "Fighting a wildfire in some of these areas is difficult because of narrow, winding streets, overhanging tree branches, and low water pressure."²

Washington and Clackamas Counties have completed Community Wildfire Protection Plans, which provides detailed wildfire hazard ratings. These plans are available online. City of Portland recently completed a FEMA funded Wildfire Hazard assessment which shows Forest Park and the surrounding residential areas are Wildfire Hazard Areas (including approximately 600 acres along Skyline Blvd which is outside the UGB and within the Reserves study area)³.

The Reserves process should take advantage of these more detailed local assessments, and should evaluate wildfire hazards for possible Urban Reserves based on urban, not rural, levels of risk.

Earthquake

The Tech Memo says "The entire Reserves Study Area falls within one seismic hazard zone identified by the USGS." But there are detailed earthquake hazard maps showing different seismic hazard levels that are available from DOGAMI. The technical team might want to examine the "Portland Metropolitan Relative Earthquake Hazard Maps," reference IMS-1. This map shows overall earthquake hazards for Clackamas, Multnomah, and Washington Counties. It also includes maps showing Relative Liquefaction Hazard, Relative Amplification of Peak Ground Acceleration, and Relative Slope Instability Hazard.

Another possible resource is DOGAMI IMS-15, "Earthquake Scenario & Probabilistic Ground Shaking Maps for the Portland Metropolitan Area." This map describes levels of shaking and structural damage that could occur, which might help assess the degree of potential hazard for a new urban area.

There is also a Portland area relative earthquake hazards study (IMS-1) based on LIDAR mapping that is available on the DOGAMI web site. The study area includes large portions of the West Hills and portions of Sauvie Island which are in the Reserves study area.

When evaluating Earthquake Hazard, though, it might be useful to separate the types of seismic hazards which can be compensated for with building codes from those which cannot. For example, landslides caused by earthquakes would be expensive, if not impossible to compensate for with building codes in an urban area.

Another important issue to consider for earthquake hazard is access for emergency responders. Most of my neighbors in the West Hills understand that in the event of a severe earthquake, emergency response could be delayed for days due to limited area roads and bridges which could easily be damaged. Limited access for emergency responders might be less acceptable for an urban area.

The Reserves process should use the detailed earthquake hazard maps available from DOGAMI, and evaluate the types of hazard and risk that are of concern for potential new urban areas.

Landslide

The Landslide Hazard map provided with the Tech Memo shows many mapped landslides (DOGAMI SP 34 Landslide Points). A high percentage of the mapped landslides did not occur in the mapped Rapidly Moving Landslide Hazard areas, indicating that the mapped hazards don't adequately represent the actual landslide hazards. This is especially true if you view the original DOGAMI version of this map, which shows many more mapped landslides inside the existing UGB. The West Hills, in particular, show a high density of mapped landslides along roads inside and outside the UGB, many of which are not in mapped landslide hazard areas.

This may indicate that adding more homes and more roads in the West Hills would increase the landslide risk well beyond the mapped landslide hazard areas.

Landslides, as noted in the Tech Memo, not only have a high risk of 100% structure loss, but they can block important access roads and damage other structures downhill from the point of origin. The 1996 winter weather event that most people remember for its widespread flooding left Germantown, Cornell, Skyline, and Burnside roads blocked by landslides. Portions of NW Germantown Road, NW Cornell Road, and NW Skyline Blvd. inside the UGB were closed for months. These closures were inconvenient for residents, but they also limited access for emergency responders.

It is difficult and often prohibitively expensive to obtain homeowners insurance for landslide hazards.

It isn't clear if the Rapidly Moving Landslide Hazard areas include both the point of origin for a possible landslide and also the downhill areas that could be affected by a landslide.

The Reserves process should use a map that includes mapped landslides in the existing UGB. Areas around all mapped landslides should be considered landslide hazard areas, and an effort should be made to locate or create maps of other types of landslide hazards in addition to the Rapidly Moving variety.

Overall Hazard Assessment

The Tech Memo says "The Natural Hazards Composite Map reflects a simple model that was created to indicate the presence and number of the hazards for any given location. No assumptions were made by Metro of the relative importance of each of the hazards."

But by adding up the number of hazards in each location and assigning an overall Low, Medium, or High rating, the memo and composite hazard map clearly imply that the relative number of hazards in a given area is an important consideration. This methodology appears to minimize the importance of each individual hazard.

Some of these hazards are almost mutually exclusive. Floodplains are generally flat. Landslides generally occur on hills. Few areas will show both hazards.

Who would want to tell the 30,000 people who had to evacuate their homes above Santa Barbara last week that their area is a low hazard risk because they weren't in a floodplain or landslide zone? Does the floodplain south of Forest Grove and Cornelius really deserve a "low" hazard rating because it isn't also a wildfire and landslide hazard area?

What appears more important than effectively averaging the hazard scores across different types of hazard is to determine which hazards represent a significant risk to lives and property and to create maps showing which areas have significant risk from each type of hazard.

So, for example, a floodplain area such as the one south of Forest Grove and Cornelius might be at significant risk and unsuitable for dense urban development regardless of whether it also includes a landslide or wildfire hazard. The goal should be to avoid needing to evacuate 30,000 people instead of a few hundred people if there's a flood or a wildfire.

Thank you.

Carol Chesarek

References for Wildfire:

¹IDENTIFYING AND ASSESSMENT OF COMMUNITIES AT RISK IN OREGON, Draft Version 4.0 from October 18, 2004 (<http://www.oregon.gov/ODF/FIRE/docs/WildfireRiskAssessment.pdf>)

³Residential Structures and Landscaping in Wildfire Hazard Areas, City of Portland (<http://www.portlandonline.com/shared/cfm/image.cfm?id=156583>) Map is on page 6.

²City of Portland's "Portland Wildfire Risk Reduction" web pages include a Key Messages document (<http://www.portlandonline.com/parks/index.cfm?c=43178&a=174194>). Some excerpts:

“Portland Wildfire Risk Reduction Forest Park

KEY Messages

1. Forest Park is not generally at high risk for wildfire, but under the right conditions – when it is hot and dry – a wildfire could occur and be very difficult to control.
2. The City of Portland is developing a plan in collaboration with neighboring landowners to reduce the risk of wildfire in and around Forest Park.

...

Fire History in Forest Park

1. Forest Park is not generally at high risk for wildfires because it stays relatively moist and less flammable deciduous trees like big-leaf maples grow throughout much of the park.
2. The Portland Metro Area is most at risk from wildfire from August through October, when arid east winds blow and trees and brush are very dry.
3. Since the late 1800s, there have been three major fires in Forest Park:
 - 1889 in mid September with an east wind. It burned Balch Canyon, crossed the pass and into Cedar Mill.
 - 1940 in mid August, burned 1000 acres south of Saltzman Road to Bonny Slope
 - 1951 in mid August, 2000 acres, north/northeast wind, reburned 1940 burn, 2400 acres.

Protecting Homes and People from Wildfire

1. Homes and businesses surround much of Forest Park.
2. Fighting a wildfire in some of these areas is difficult because of narrow, winding streets, overhanging tree branches, and low water pressure.
3. Portland Fire & Rescue's map of wildfire hazard areas includes Forest Park and adjacent properties.

... “

3. What is of interest to you in the urban and rural reserves process? Please rate the following with 1 being of least interest and 5 being of most interest.

	<i>answered question</i>					868
	<i>skipped question</i>					49
	1(least)	2	3	4	5(most)	Response Count
My own property	23.1% (190)	8.6% (71)	16.8% (138)	10.8% (89)	40.7% (335)	823
Preserving open space where I live	9.1% (76)	8.2% (68)	11.8% (98)	13.8% (115)	57.1% (475)	832
Encouraging development near where I live	54.7% (450)	11.7% (96)	10.6% (87)	9.2% (76)	13.7% (113)	822
Protection of current and future job opportunities	17.2% (140)	14.7% (119)	32.4% (263)	16.6% (135)	19.1% (155)	812
Protection of working farms	5.9% (50)	5.9% (50)	9.4% (80)	16.1% (137)	62.7% (533)	850
Protection of working forest lands	6.7% (56)	7.9% (66)	15.1% (126)	18.0% (150)	52.2% (435)	833
Protection of natural areas	3.4% (29)	4.8% (41)	9.1% (77)	11.7% (99)	71.0% (603)	849
Other (please specify)	5.9% (14)	0.4% (1)	2.5% (6)	5.4% (13)	85.8% (205)	239

9. Many areas within the reserves study area will, based on the factors, qualify for both urban reserves and rural reserves. If you were a county commissioner or a Metro Councilor, what would be your most important consideration for choosing between urban and rural designations? Please rate the following, with 1 being least important and 5 being most important.

	<i>answered question</i>					726
	<i>skipped question</i>					191
	1(least)	2	3	4	5 (most)	Response Count
Protect working farms and forests	6.8% (48)	4.1% (29)	8.5% (60)	12.0% (85)	68.7% (488)	710
Protect natural areas	3.2% (23)	6.0% (43)	9.6% (68)	11.7% (83)	69.5% (494)	711
Provide new urban communities outside the current urban growth boundary	56.0% (391)	13.3% (93)	9.3% (65)	5.9% (41)	15.5% (108)	698
Provide new employment opportunities outside the current urban growth boundary	38.8% (269)	19.6% (136)	17.6% (122)	7.6% (53)	16.4% (114)	694
Identify redevelopment opportunities inside the current urban growth boundary	11.8% (83)	7.7% (54)	13.7% (96)	14.7% (103)	52.2% (367)	703