

**RESERVES STEERING COMMITTEE
MEETING SUMMARY**

June 10, 2009; 9:00 am – 12:00 noon
Metro Regional Center, Council Chambers

Core 4 Members Present: Metro Councilor David Bragdon, Multnomah County Commissioner Jeff Cogen, Clackamas County Commissioner Charlotte Lehan.

Reserves Steering Committee Members Present: Dennis Doyle, John Evans, Kathy Figley, Karen Goddin, Mike Houck, Kirk Jarvie, Tim Knapp, Greg Manning, Sue Marshall, Mary Kyle McCurdy, David Morman, Greg Specht, Dick Strathern, Sabrina White-Scarver, Jerry Willey.

Alternates Present: Drake Butsch, Bob Clay, Jim Johnson, Donna Jordan, Richard Kidd, Jim Nicita, Laura Masterson, Lidwien Rahman.

Facilitation Team: Debra Nudelman, Peter Harkema.

I. WELCOME AND INTRODUCTIONS

Deb Nudelman called the meeting to order at 9:10 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 stated that Mike Dahlstrom had provided an edit to page one of the May 13 meeting summary, noting that 150,000 acres should be changed to 107,000 acres. Deb then asked if there were any additional comments or amendments to the May meeting summary. Alan Rosenfeld said that he would be providing written clarification of his public comments.

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 meetings.

Karen Goddin noted that the Department of Economic and Community Development had hoped to provide a presentation at the July Reserves Steering Committee meeting, but because the meeting had been cancelled they will provide a formal briefing in August and, in the meantime, they will be providing briefings in Washington County.

Marcia Sinclair provided a brief update on public outreach efforts. She said that the team is working to compile public input, which is both substantive and extensive. The results will be available in approximately two weeks.

II. PUBLIC COMMENT FOR NON-AGENDA ITEMS

Katherine Deumlina of Slow Food Portland provided an overview of the organization and their mission. They encourage a reduction in the number of acres being considered for urban reserves, especially large tracks of “foundation” farmland. She asked that the Core 4 and Reserves Steering Committee consider the proposal included in the Washington County Farm Bureau Foundation Lands Base Protection Map.

Amy Benson provided comments on behalf of Portland Area CSA Coalition (CPACSAC), a coalition that includes more than 40 local farms. She encouraged the group to seriously consider the Washington County Farm Bureau Foundation Lands Base Protection Map proposal and to provide protection to agricultural lands, which are necessary for the continued success of the agricultural economy. She said that CPACSAC is concerned about the number of foundation farm lands still being considered for rural reserves.

Regis Raujol, a Stafford area property owner, described his family's deep roots in the Stafford area, which began when his father started logging the area in 1901 and continues through today. Regis noted that his family and others had tried various agricultural productions in the Stafford area and that most had not been productive. He concluded by saying that the Stafford area is not an agricultural area and later clarified that he wished the area to be considered as an urban reserve.

Mike Miller, owner of Rosemont Tractor Service submitted written comments and said that he has been a resident of Stafford area for 33 years. He explained that he does custom tractor work and that one-third of his work is in the Stafford area; over the years he has worked at 60 small farms in the Stafford area. He noted that the majority of these farms are working to maintain the idea of agricultural life. Mike said that to treat the area as a viable rural area is a myth and that most people with agricultural operations in the Stafford area have them to maintain the agricultural tax benefit. He also noted that he manages the second largest property and has never made any money at it.

Alan Rosenfeld, said that he is a "relatively long time" resident of West Linn and that he has deep respect for the previous speakers and their history in the area. He noted that despite the fact that others have said that the soil in the Stafford are is not appropriate for agriculture there are many alternate uses for land in Stafford, which include organic farming , wineries, and equestrian centers. He noted that these operations appear to be successful, although he could not speak to their financial standing. He then asked the group to consider what would happen if the area became urban and these people moved to productive agricultural land. He concluded by saying that the area should be protected as a rural reserve.

III. RURAL AND URBAN RESERVE CANDIDATE AREA EVALUATION PROCESS

John Williams explained that after identifying candidate areas the main focus of staff work has been the suitability assessment on rural and urban components, each focusing on their respective factors and stakeholder input. The counties are leading the work but it is also being coordinated at a regional level to ensure a consistent approach and application. He explained that there will be a suitability assessment for each area which will be broken down by each of the factors. These assessments will be reviewed by the county Advisory Committees over the summer. In addition, Metro is working to develop a buildable lands inventory in each of the urban reserve candidate areas. John then explained that that each of the counties would give a more in-depth explanation of their evaluation process and timeline.

Doug McClain provided an overview of Clackamas County's efforts. He explained that the technical staff had been doing lots of work and the Policy Advisory Committee (PAC) has been meeting and will be refining and further analyzing rural and urban designations. The PAC is currently working on rural reserves and in July will work on urban reserves. In August the urban and rural reserves maps will be compiled and a final recommendation will be made by the PAC. Throughout the summer Clackamas County will be conducting three work sessions with the County Commission. In addition, the C4 (city and county elected officials) and the Technical Advisory

Committee meet regularly and have been providing input. To supplement existing public comment opportunities at the PAC meetings, the County Planning Committee will hold a public meeting to hear public testimony in mid-August. Clackamas County expects a recommendation from the Board of Commissioners by mid to late August. This recommendation will be brought before the Reserves Steering Committee in September.

Doug then called the group's attention to the executive summary of "*Clackamas County Candidate Rural Reserve Areas: Draft Staff Review of Factors, Issues, Suggestions & Options*," which had been passed out to Reserve Steering Committee attendees. He noted that this was a summary of the more detailed information that staff had provided to the PAC. The PAC has completed evaluations of approximately half of the rural reserve candidate areas. Following complete review the PAC will make a recommendation to Clackamas County Board. This recommendation would not be a vote and is intended to reflect the concerns and issues raised by PAC. Doug noted that there had been some confusion about the lettering approach used by the county. He explained that this approach had been chosen to help inform and coordinate discussion on specific areas and is based on Oregon Department of Agriculture areas.

Doug went on to describe some of the key issues being discussed by the PAC. For example, what constitutes "subject to urbanization." The PAC is working through what to consider however, he noted, there is not a simple formula to answer this question. Another issue that has received considerable discussion is how far natural features extend. Similarly, there has been much discussion about what to do with neighboring cities (e.g. Canby) and potential interest in future expansion of their UGBs. A "buffer" may be needed for these areas. Doug noted that this issue is not unique to Clackamas County and was not considered when the administrative rule was developed. He said that Clackamas County is receiving a great deal of information and input from both their technical assessment and the public, including approximately 30 letters a week. He concluded by reminding the group that Clackamas County is currently working on rural reserves but will be doing a similar process for the urban reserves in July.

Mike Houck affirmed that there is lots of local input and encouraged additional consideration of the relationship between agricultural land and natural features.

Greg Manning asked if a similar update would be provided on the Clackamas County urban reserves. Doug said that an update would be provided when the information was available.

Donna Jordan asked what would happen to important farm land in undesignated areas and if these lands would still fall into current zoning. Doug explained that it would be subject to current zoning and that exclusive farming zoning is quite stringent. Clackamas County applies zoning consistent with state zoning rules and there have been only a small number of changes to these designations in the last 35 years. Donna clarified that this applied to forested lands as well. It was explained that undesignated areas would stay within the current hierarchy under current zoning and would remain the same until the area would come into a UGB.

Tim Knapp asked how county staff is considering the conflicting wishes of public, particularly non-commercially viable agricultural land that some residents wish to be preserved as agricultural land. Doug explained that Clackamas County is attempting to apply the legal standards and factors. He noted that life style concerns are significant as they apply to the factors and that the County will be developing a "findings" document to help show how the factors were applied. He also noted that

there are likely to be significant areas left as undesignated and that these discussions will likely continue after the reserves process. Tim clarified that if an area does not fit into either a rural or urban reserve then it is likely to remain undesignated. Doug confirmed that this was true.

Chuck Beasley provided a summary of Multnomah County's evaluation process efforts. He explained that the Multnomah County Citizen Advisory Committee (CAC) has begun its assessment of the Multnomah County candidate Rural Reserves at their May 18 meeting and will continue their discussions at their meeting next Thursday. The CAC is using a high, medium and low ranking system. He explained that they hope to finish the rural reserves evaluation in June and the urban reserves evaluation by the middle of July. Following this there will be a Planning Commission meeting in August and the County Board will make its recommendation in mid August. He noted that the CAC conversations have been challenging and that the factors lend themselves to broad consideration, but decisions will have to be made about where to draw the lines and this will be a challenging process.

Mike Houck asked when Multnomah County expected to have a document available for the Reserves Steering Committee members to review. Chuck explained that Multnomah County's process was about one meeting behind Clackamas County's and said that there would be a document available for the Reserves Steering Committee at the end of the month. [Action Item] Chuck said that in the meantime Reserves Steering Committee members should feel free to contact him with any questions.

Brent Curtis explained that Washington County anticipates the planning directors delivering a recommendation at the Coordinating Committee meeting in August, which will be followed by a public process, and then a decision from the Washington County Board in September. The Technical Advisory Committee (planning directors) is meeting weekly and the Washington County Coordinating Committee was meeting monthly.

Brent went on to explain that in Washington County the rural and urban reserves are advancing simultaneously. He drew the committee's attention to the June 4 document titled "*Phase 3 Rural Reserves Analysis – Update*" which explains how the factors are being applied. He noted that for rural reserves Washington County must consider designated farmland, forest land and important landscape features for long-term protection. Of these, the analysis of forested lands is the most advanced but work is continuing to advance on the others, including natural features.

On the urban side, Washington County is using three analyses to inform their evaluation: 1) Metro's GIS mapping 2) city aspirations 3) business interest's constraints analysis (Group McKenzie map). He explained that originally if you were on any of these areas then you were considered for urban reserves; however, additional work has been done to re-examine if the full 107,000 originally recommended for study was appropriate. The conclusion of this analysis was that 47,000 acres is more appropriate. Brent noted that the document "*Pre-qualifying Urban Reserve Concept Planning Draft*" provides an outline of the draft proposed typology. He noted that Washington County is applying all the urban factors to each candidate area. Brent also noted that Washington County had developed a template to help provide a consistent process of reporting for each area. He concluded by reminding the group that these documents are drafts and will be further modified prior to the County's recommendation.

Mike Houck said that he had noted that the Washington County document says that it will “potentially” look at flood plains. He explained that, as he said in the previous Reserves Steering Committee meeting, he is very concerned with the flood plain issue. He encouraged the County to look very thoroughly at this issue. He went on to explain that he has had met with ODFW and others to discuss natural features. Brent said that Washington County was open to receiving their input but it would be needed soon. Mike will be in touch with Washington County about his issue. [Action Item] Mike suggested that Metro staff ecologists be included in the natural features conversation. He also shared a concern about how farm, forest and natural features are being looked at independently. He explained that the area is a mosaic and that a landscape-ecology view should be taken. Such an analysis would help account for the interaction between the various features. Brent responded that in early analysis farm land, natural features and forest were collapsed into a single analysis and then weighed. At that time many people commented that this approach diluted the factors. Brent said that the current analysis methodology is a result of that feedback. He noted that Washington County recognizes that the final analysis will have to be brought back together. Mike asked if Washington County had been in touch with Metro staff and Brent explained that they are in touch on a weekly basis. He also noted that Washington County is aware of the ODFW “best of the best” work and has been waiting to hear from them about this work.

Laura Masterson asked whether, in the weighting of farm land, each of the four factors weighted equally. It was explained that there is a certain amount of judgment required in putting the lines down but that trained professionals are considering significant amounts of information when placing the lines. Laura also noted that the Soil and Water Conservation Districts had presented data on parcelization and how larger parcels are not necessarily better or as important. Brent explained that Washington County has done detailed analysis of lot sizes and ownership and their judgment was that ownership may not be as important because property can be sold or leased; however lot size is important. He said that he would be happy to show how this analysis was conducted.

Drake Butsch asked whether the template Brent had shown was only being used by Washington County or by Metro and the other counties as well. Brent explained that this is a template developed by Washington County to provide consistency in the County’s efforts. However, each of the counties and Metro share the goal of a regional plan. Drake encouraged the group to consider consistency in formatting as they move forward. [Action Item]

Tim Knapp expressed that he was concerned that Washington County had concluded that parcelization is not a significant factor. He then raised a number of concerns about soil productivity ratings and noted that the importance of thin soils in Washington County might have been missed in the current analysis. He suggested that Washington County look at Clackamas County’s work in this area. Brent said that they will look at Clackamas County’s work but also called attention to factor 2d, which looks at this issue in more depth. He said that he agreed that viticulture it is an important factor but noted that Washington County had been criticized by the farm bureau for including it in the past. He explained that the productivity analysis tries to get at the fact that soil type is diverse and changes over time. He expressed that Washington County recognizes the importance of parcel size and viticulture.

Jim Johnson responded by stating that blocks of agricultural land are completely different from parcels and the two should not be confused. He noted that parcels are a subset of large agricultural blocks. He went on to explain that he had criticized the original analysis’ attention to viticulture. He said that viticulture should be taken into account but should not be given additional weight over flat

class-two soils, which have greater diversity. He noted that some of the past studies have weighted irrigated land too high.

IV. MAKING THE GREATEST PLACE UPDATE

Malu Wilkinson , Metro Urban Growth Report (UGR) project manager and Eric Hovee, lead on the consultant team for the employment report, provided an update on the Making the Greatest Place process. Malu noted that they would be providing an overview of the preliminary Employment UGR and that the report includes much information which will help inform the decision making process regarding growth management and efforts to continue to make this a great place to live. She explained that Metro had made a significant effort to reach out to the business community to learn from employers and understand their perspective on employment trends. She noted that it is an outcome-based approach with six primary outcomes that help inform where the area wants to be. The outcomes are as follows:

- Vibrant, walkable communities
- Sustained economic competitiveness and prosperity
- Safe and reliable transportation choices
- Minimal contributions to global warming
- Clean air, clean water, healthy ecosystems
- Benefits and burdens of growth shared throughout the region

The first step in the process was to look at the employment forecast. The analysis of the broader seven county area resulted in an employment need ranging from 1.3 million to 1.7 million by 2030. Of this range, 75% of jobs are expected to be within the Metro Urban Growth Boundary (UGB). This range was used to help think about the outcomes, technical assumptions and the potential risks.

Eric then provided an overview of the employment demand analysis. He explained that a new more sophisticated approach had been used. This approach allowed for a range to be established and for market influence to be considered. The common denominator in the analysis is building square footage.

A more refined approach was also used in the capacity analysis, including an analysis of development readiness and recognition that there are differences between the various areas. To account for these differences, nine market sub-areas were looked at. Additional consideration was given to future changes in employment need and capacity, as well as to development intensity. All of these analyses were brought together to create a demand forecast, which were then translated into building square footage. Following calculation of the demand, similar calculations were made to compute the anticipated employment supply. The demand side and supply side square footage were then compared. Eric showed a number of different examples of how square footage can look in different locations, as well as how building use can change overtime. It was noted that the analysis does not assume that some kinds of denser development seen elsewhere (e.g. multi-story warehouse in Tokyo) would be seen in this region in the next 20 years.

Malu explained that the preliminary report had been released to allow time for feedback and discussion at both the technical and policy level. The analysis considered both industrial and non-industrial because each is manifested differently on the ground. She noted that some future employment demands may be filled through existing buildings but others would require additional investment in infrastructure. It was explained that there appears to be enough land inside the

existing UGB to meet industrial demand. However, there are two caveats to this: 1) this does not consider the sub areas so the demand and supply may not be matched in location. Also, they have not yet addressed the niche of large parcel employers. On the non-industrial side there appears to be enough available land within the existing UGB to meet low side projections; however, the high end range would require additional investment. Consequently, there are choices to be made at both the regional and especially at the local level.

Malu then provided an overview of the anticipated timeline, explaining that Metro is working to get comments and will provide the revised draft in September, with a final in December 2009. This final document will then be used in decision making in 2010.

Eric provided a number of policy questions for the committee's consideration, they are as follows:

1. How can we be flexible to meet the niche employment needs (such as large lot industrial)?
2. What investments are we willing to make at the local and regional level?
3. How should the region prioritize and protect public investment?
4. What does this mean for Reserves?

Eric noted that this report relates to the Reserves process in a number of ways. Some examples include the potential need to preserve land for industrial uses, given its unique requirements. Will the current patterns of industrial work stay the same or not? And will retail and mixed-use trends extend beyond the urban core?

Dick Strathern noted the example of Bellevue, Washington and asked about the report's assumptions regarding the rate of change. He wondered whether the analysis had included the possibility of a similar "Bellevue-like" situation happening in Portland's outer ring. Eric explained that this has been looked at and noted that Portland has historically retained a core city focus. He explained that there are questions about what the next "Kruse Way" area will be and if this area would have more mixed use. He noted that this question has been asked about the Beaverton area. Eric concluded by stating that there is no clear conclusion in Metro's analysis but that the analysis considers that there may be shift of employment away from the core, especially with industrial jobs.

Mary Kyle McCurdy asked whether the analysis had considered what percentage of new jobs will come from existing businesses. Eric explained that they had not done any deep analysis on firm size but there has been a focus on overall employment. However, he said that the majority of the jobs are expected to come from existing business and not new employers.

Richard Kidd asked how the report analyzed the variation of jobs within a business (e.g. multiple shifts at a manufacturing plant). Eric explained that they had looked at an average. Richard wondered whether there was a "trump card" between policy and the market. He suggested that consideration should be given to the potential shifts in policy and the market, and also noted that Portland should be prepared for the "Bellevue factor."

Sue Marshall commented that the word "equitable" should be reinserted into outcome six. [Action Item]

Greg Specht said that he questioned whether there is actually enough capacity within the current UGB. He is concerned that not enough consideration was given to demand for future large

industrial sites. He suggested that this be considered in the final report. He also suggested that decisions should be based on known information not projections.

Karen Goddin stated that from her agency's perspective and the contacts they have received there is not enough industrial land available to meet demand. She noted that they currently have 20 open recruitments looking at sites throughout the metro area. She also said that it was not accurate to include Solar World type events as episodic. She would like to work with Metro as it continues its analysis.

Greg Manning said that the business coalition has spent a lot of time looking at the preliminary report. He said that they liked the level of detail and the range approach as well as the consideration for sub market realities. However, there are major questions about the assumptions used. Specifically there is concern about the following assumptions: 1) policy choices that would be required to increase refill but are as yet undefined, 2) assumptions that there will be low level of job growth, 3) whether refill will actually double over next 20 years, 4) how much densification can be expected in different building types, 5) the ongoing need for large tracts of flat land. He concluded by stating that the business coalition wants a robust long term employment and income growth and if these cannot be achieved then other aspirations will also fall short. The business coalition is moving forward with peer review and will provide input to Metro.

Mike Houck noted the Tokyo example given in the presentation and wondered why this type of development had not been included in the analysis. It was explained that land values are much higher there and Tokyo does not have the same competition locally (e.g. Vancouver) or nationally and at this point you do not see this type of development in the United States. Greg Specht affirmed that there is a great deal of competition in the global market place and that there are also cost considerations.

Dennis Doyle commented that additional consideration will need to be given on how to be flexible in meeting the future needs of large scale industrial needs. He noted that MPAC is creating a subcommittee to help address some of these policy questions.

Donna Jordan asked how parcelization versus large contiguous tracts of land factors into the analysis of capacity. She noted that the third policy question outlined by Eric is also important, such that if there is heavy investment in industry and later these industries move or change, consideration would be needed on how to ensure that they stay active. These questions will also be addressed by the MPAC sub-group.

V. SUMMARY

Deb reminded the group that the July meeting was cancelled and encouraged people to participate in the County processes. She then thanked everyone for their attentiveness and efforts during the meeting.

There being no further business, Deb Nudelman adjourned the meeting at 12:00 pm.

Respectfully submitted by Kearns & West.

ATTACHMENTS TO THE PUBLIC RECORD FOR June 10, 2009

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

AGENDA ITEM	DOC TYPE	DOC DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
2.	Letter and Map	6/8/09	To: Reserves Steering Committee Members From: Slow Food Portland RE: Washington County Farm Bureau Foundation Land Base Protection	061009rsc-01
2.	Letter and Map	6/8/09	To: Reserves Steering Committee Members From: Portland Area Community Supported Agriculture Coalition RE: Washington County Farm Bureau Foundation Land Base Protection	061009rsc-02
2.	Letter	6/10/09	To: Metro Councilors From: Mike Miller RE: Stafford area	061009rsc-03
2.	Brochure	6/10/09	Oregon Agriculture Facts and Figures brochure	061009rsc-04
3.	Document	5/18/09	Executive Summary – Clackamas County Candidate Rural Reserves Areas: Draft Staff Review of Factors, Issues, Suggestions & Options	061009rsc-05
3.	Memo and Maps	6/4/09	To: Washington County Planning Directors From: Brent Curtis, Planning Managers RE: Memo: Phase 3 Rural Reserves Analysis - Update	061009rsc-06
3.	Document		Washington County Pre-qualifying Urban Reserves Concept Planning DRAFT – Working Copy for Discussion Only	061009rsc-07
3.	Document	6/9/09	Washington County Pre-qualifying Reporting Template	061009rsc-08

