

Metro | Agenda

Meeting: Metro Policy Advisory Committee (MPAC)
Date: Wednesday, July 14, 2010
Time: 5 to 7 p.m.
Place: Council Chambers

- | | | | |
|----------------|-----|---|--|
| 5 PM | 1. | <u>CALL TO ORDER</u> | Shane Bemis, Chair |
| 5:02 PM | 2. | <u>SELF INTRODUCTIONS & COMMUNICATIONS</u> | Shane Bemis, Chair |
| 5:05 PM | 3. | <u>CITIZEN COMMUNICATIONS ON NON-AGENDA</u> | |
| 5:10 PM | 4. | * Consideration of the MPAC Minutes for June 23, 2010 | |
| 5:15 PM | 5. | <u>COUNCIL UPDATE</u> | |
| | 6. | <u>INFORMATION / DISCUSSION ITEMS</u> | |
| | | Community Investment Strategy:
2010 Capacity Ordinance | |
| 5:20 PM | 6.1 | # Analysis of Potential Urban Growth Expansion Areas –
<u>INFORMATION</u> | Tim O'Brien |
| | | <ul style="list-style-type: none">• Analyzing Locational Factors• Assessing Infrastructure Costs | |
| 5:50 PM | 6.2 | ** Maintaining an Inventory of Large Industrial Sites
Within the Region– <u>DISCUSSION</u> | Dick Benner
Malu Wilkinson
Ted Reid |
| 6:50 PM | 7. | <u>MPAC MEMBER COMMUNICATION</u> | |
| 7 PM | 8. | <u>ADJOURN</u> | Shane Bemis, Chair |

* Material available electronically.

** Materials will be distributed electronically prior to the meeting.

Material provided at meeting.

All material will be available at the meeting.

For agenda and schedule information, call Kelsey Newell at 503-797-1916, e-mail: kelsey.newell@oregonmetro.gov.

To check on closure or cancellations during inclement weather please call 503-797-1700x.



2010 MPAC Tentative Agendas

Tentative as of July 7, 2010

<p><u>MPAC Meeting</u> July 14</p> <ul style="list-style-type: none"> • Analysis of potential UGB expansion areas <ul style="list-style-type: none"> ○ Infrastructure costs ○ Localization factors • Maintaining an Inventory of Large Industrial Sites Within the Region 	<p><u>MPAC Meeting</u> July 28</p> <ul style="list-style-type: none"> • The Intertwine • Overview of proposed Regional Framework Plan/Urban Growth Management Functional Plan changes • Federal Sustainable Community Initiative and HUD Sustainable Communities grant - Information • Climate Friendly Communities (HB 2001 GHG Scenarios) Initiative – Review and comment • Climate Prosperity Project
<p><u>MPAC Meeting</u> August 11</p> <ul style="list-style-type: none"> • Presentation of COO recommendation • Federal Sustainable Community Initiative and HUD Sustainable Communities grant - Action 	<p><u>MPAC Meeting</u> August 25</p>
<p><u>MPAC Meeting</u> September 8</p> <ul style="list-style-type: none"> • Draft Ordinance to meet 20-year forecasted growth (discussion) <ul style="list-style-type: none"> • Investment Strategy • Actions to meet forecasted growth • Regional Framework Plan/Urban Growth Management Functional Plan amendments 	<p><u>MPAC Meeting</u> September 22</p> <ul style="list-style-type: none"> • Draft Ordinance to meet 20-year forecasted growth (discussion) <ul style="list-style-type: none"> • Investment Strategy • Actions to meet forecasted growth • Regional Framework Plan/Urban Growth Management Functional Plan amendments
<p><u>MPAC Meeting</u> October 13</p> <ul style="list-style-type: none"> • Draft Ordinance to meet 20-year forecasted growth (discussion) <ul style="list-style-type: none"> • Investment Strategy • Actions to meet forecasted growth • Regional Framework Plan/Urban Growth Management Functional Plan amendments 	<p><u>MPAC Meeting</u> October 27</p> <ul style="list-style-type: none"> • Draft Ordinance to meet 20-year forecasted growth (discussion) <ul style="list-style-type: none"> • Investment Strategy • Actions to meet forecasted growth • Regional Framework Plan/Urban Growth Management Functional Plan amendments

<p><u>MPAC Meeting</u> November 10</p> <ul style="list-style-type: none"> • Draft Ordinance to meet 20-year forecasted growth (discussion) <ul style="list-style-type: none"> • Investment Strategy • Actions to meet forecasted growth • Regional Framework Plan/Urban Growth Management Functional Plan amendments 	<p><u>MPAC Meeting</u> November 17</p> <ul style="list-style-type: none"> • Draft Ordinance to meet 20-year forecasted growth (recommendation to council) <ul style="list-style-type: none"> • Investment Strategy • Actions to meet forecasted growth • Regional Framework Plan/Urban Growth Management Functional Plan amendments
<p><u>MPAC Meeting</u> December 15</p>	



METRO POLICY ADVISORY COMMITTEE

June 23, 2010

Metro Regional Center, Council Chambers

MEMBERS PRESENT

Sam Adams
Shane Bemis, Chair
Pat Campbell
Jody Carson
Nathalie Darcy
Amanda Fritz
Jack Hoffman
Dick Jones
Charlotte Lehan, Vice Chair
Keith Mays
Rod Park
Judy Shiprack
Rick VanBeveren
Jerry Willey, Second Vice Chair

AFFILIATION

City of Portland Council
City of Gresham, representing Multnomah Co. 2nd Largest City
City of Vancouver
City of West Linn, representing Clackamas Co. Other Cities
Washington County Citizen
City of Portland Council
City of Lake Oswego, representing Clackamas Co. Largest City
Clackamas County Special Districts
Clackamas County Commission
City of Sherwood, representing Washington Co. Other Cities
Metro Council
Multnomah County Commission
TriMet Board of Directors
City of Hillsboro, representing Washington County Largest City

MEMBERS EXCUSED

Matt Berkow
Tom Brian
Dennis Doyle
Carl Hosticka
Robert Liberty
Marilyn McWilliams
Charlynn Newton
Alice Norris
Wilda Parks
Steve Stuart
Mike Weatherby
Richard Whitman

AFFILIATION

Multnomah County Citizen
Washington County Commission
City of Beaverton, representing Washington Co. 2nd Largest City
Metro Council
Metro Council
Washington County Special Districts
City of North Plains, representing Washington Co. outside UGB
City of Oregon City, representing Clackamas Co. 2nd Largest City
Clackamas County Citizen
Clark County, Washington Commission
City of Fairview, representing Multnomah County Other Cities
Oregon Department of Land Conservation & Development

ALTERNATES PRESENT

Jennifer Donnelly
Ed Gronke
Paul Manson
Doug Neeley

AFFILIATION

Oregon Department of Land Conservation & Development
Clackamas County Citizen
Multnomah County Citizen
City of Oregon City, representing Clackamas Co. 2nd Largest City

STAFF:

Dick Benner, Andy Cotugno, Chris Deffebach, Brian Harper, Councilor Kathryn Harrington, Robin McArthur, Kelsey Newell, Ken Ray, Ted Reid, Sheena VanLeuven, Malu Wilkinson.

1. CALL TO ORDER AND DECLARATION OF A QUORUM

Mayor Shane Bemis declared a quorum and called the meeting to order at 4:30 p.m.

2. SELF INTRODUCTIONS AND COMMUNICATIONS

Committee and audience members introduced themselves.

3. CITIZEN COMMUNICATIONS ON NON-AGENDA ITEMS

There were none.

4. CONSENT AGENDA

Consideration of the MPAC minutes for June 9, 2010

MOTION: Ms. Nathalie Darcy moved, and Mr. Dick Jones seconded, to approve the MPAC minutes for June 9, 2010.

ACTION TAKEN: With all in favor, the motion passed.

5. COUNCIL UPDATE

Metro Councilor Rod Park forewent the Council update.

6. INFORMATION/ DISCUSSION ITEMS

6.1 Community Investment Strategy: 2010 Capacity Ordinance

Ms. Robin McArthur of Metro gave background on the capacity ordinance and indicated that the presentations to MPAC on the capacity ordinance are meant to inform the committee's future recommendation to the Metro Council.

Ms. Malu Wilkinson of Metro briefly outlined the components of the capacity ordinance and the past, current, and future work being done to ensure enough residential capacity in the region. She indicated how much residential capacity can be estimated within the urban growth boundary and how much is still needed to reach the middle third of the range for the forecast dwelling unit demand, given the data on newly zoned capacity, change in estimated percentage use of capacity in recently urbanized areas, new incentives to develop zoned capacity, and local policy changes increasing infill. She noted that to reach into the middle third of the capacity range, it is likely that land from the urban reserves will have to be brought into the UGB.

Committee discussion included:

- Whether the dwelling unit demand gap can be translated into an acreage gap;
- The reasons for increasing the estimated percentage use of zoned capacity;

- Whether changes in growth due to current economic trends have been factored into the capacity estimate;
- Potential variation in dwelling unit capacity if estimated percentage change in capacity use is not met; and
- Mayor Adams shared residential development statistics for the City of Portland.

Mr. Jerry Johnson, of Johnson Reid, LLC, presented on the impact of public investments in shifting the market to better utilize zoned capacity. He described the model used to predict the highest and best use for developing land that will affect how zoned capacity is used. He noted that capacity is limited not by zoning but rather by what is feasible for the market to develop on a particular piece given variables like cost to develop, achievable pricing, financing, and entitlements. He discussed how the model can be affected by policy changes so that the market therefore would be stimulated to better utilize existing capacity, including improvements in public transit, system development charge waivers, and other public investments and amenities..

Committee discussion included:

- How changes in pricing affect development and return on investments in different neighborhoods;
- Whether required densities correspond to market feasibility for development and how this model can help predict that;
- How transportation cost and access to transit affect achievable pricing according to the model; and
- How the public must intervene, using SDC wavers, entitlements, and other methods, when desired development forms will not be met by the market.

Mr. Ted Reid of Metro presented on changes in assumptions underlying the 2009 Urban Growth Report which have been made to reflect new policy changes and investments, and how those changes will move the region toward realizing the six desired development outcomes for the region. He concluded that the new assumptions predict better results in achieving those outcomes especially with targeted community investments, but that there are remaining areas for improvement including housing affordability for renters and the reduction in greenhouse gas emissions.

Committee discussion included:

- The implications for types of jobs and wages of having a growing share of jobs be in centers and corridors; and
- Whether MetroScope accounts for the importance of industry clusters

Mr. Brian Harper of Metro presented on a model that can be used to illustrate development might occur in response to local actions, such as changing land-use scenarios, planned densities, and amenities. The model can then be used to evaluate the impact of different scenarios in real-time.

6.2 2040 Growth Concept Map, Center Designation Change Requests and Process

Ms. Chris Deffebach of Metro outlined the guidelines for making changes to the 2040 concept map and introduced speakers from the Cities of Hillsboro and Cornelius to discuss those cities' proposed changes to the 2040 map.

Pat Ribellia of the City of Hillsboro presented the City's request to redesignate the Tanasbourne/AmberGlen Town Center as a Regional Center. He discussed the reasoning behind the request, including ways in which the area meets the guidelines for a Regional Center, and the next steps for the area if it receives the Regional Center designation.

Richard Meyer of the City of Cornelius presented the City's request for re-designation from a Main Street to a Town Center. Mr. Meyer addressed how Cornelius meets the guidelines for a Town Center and the reasons for the request.

Ms. Deffebach presented the City of Happy Valley's request to relocate its Town Center. She explained where this new Town Center would be located and the reasons for the request.

Committee discussion included:

- General support for the requests made by Happy Valley and Cornelius;
- Whether it would be equitable in terms of allocation of regional funds for Washington County to have four Regional Center designations whereas Clackamas County has only two;
- Whether Washington County could indeed support another Regional Center or whether redesignating the Tanasbourne/AmberGlen area might negatively impact nearby Regional Centers, specifically Beaverton;
- Clarification of the reasons why redegation would be good for a city or area, including that a higher designation can lead to more investments such as high-capacity transit; and
- The link to regional capacity – how much more will develop if the Tanasbourne AmberGlen area gets a regional center designation rather than stay at a town center designation.

7. MPAC MEMBER COMMUNICATIONS

There were none.

8. ADJOURN

Chair Bemis adjourned the meeting at 7:04 p.m.

Respectfully submitted,



Recording Secretary

ATTACHMENTS TO THE PUBLIC RECORD FOR JUNE 23, 2010:

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

ITEM	DOCUMENT TYPE	DOC DATE	DOCUMENT DESCRIPTION	DOCUMENT No.
4	Handout	06/09/2010	060910 MPAC Minutes	062310m-01
6.1	Presentation	06/23/2010	Housing Capacity and Demand Range	062310m-02
6.1	Presentation	06/23/2010	Assessment of Efficiency Measures for 2010 Capacity Ordinance	062310m-03
6.1	Presentation	06/23/2010	2010 Capacity Ordinance preliminary assessment of possible outcomes	062310m-04
6.1	Presentation	06/23/2010	Illustrating Local Actions	062310m-05
6.2	Presentation	06/23/2010	Center designation change requests and process	062310m-06
6.2	Presentation	06/23/2010	Tanasbourne/AmberGlen Regional Center	062310m-07
6.2	Handout	06/17/2010	Tanasbourne/AmberGlen	062310m-08
6.2	Handout	05/10/2010	City of Cornelius meets Town Center expectations	062310m-09

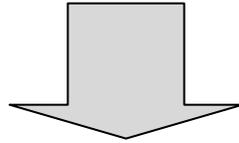
Materials following this page were distributed at the meeting.

2010 Capacity Ordinance

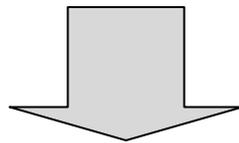
Process for evaluating urban reserve areas for inclusion in the urban growth boundary

Urban Reserve Areas

28,615 acres



Step One: Narrow analysis areas to approximately 8,000 acres using the need to balance areas regionally, by physical attributes, and jurisdiction input. MetroScope evaluation to assess readiness for development (May 2010)



Step Two: Goal 14 Locational Factors Alternative Analysis

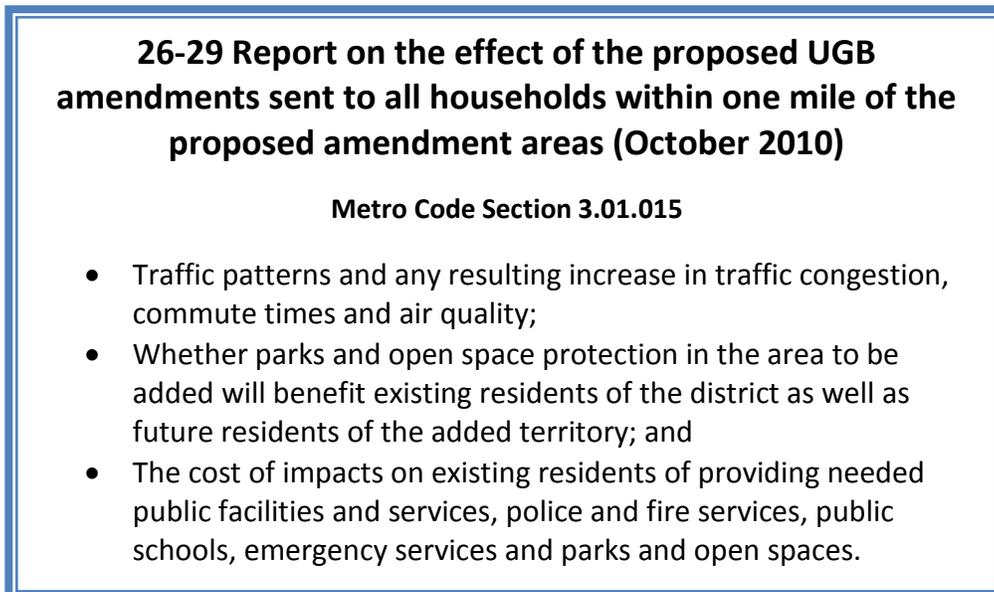
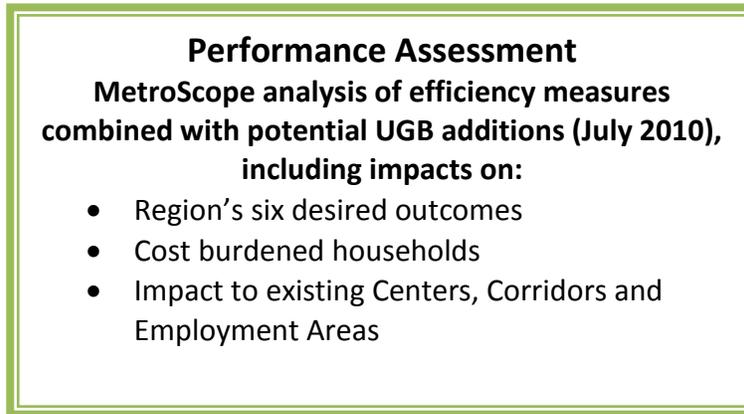
Analysis of approximately 8,000 acres

(June – July 2010)

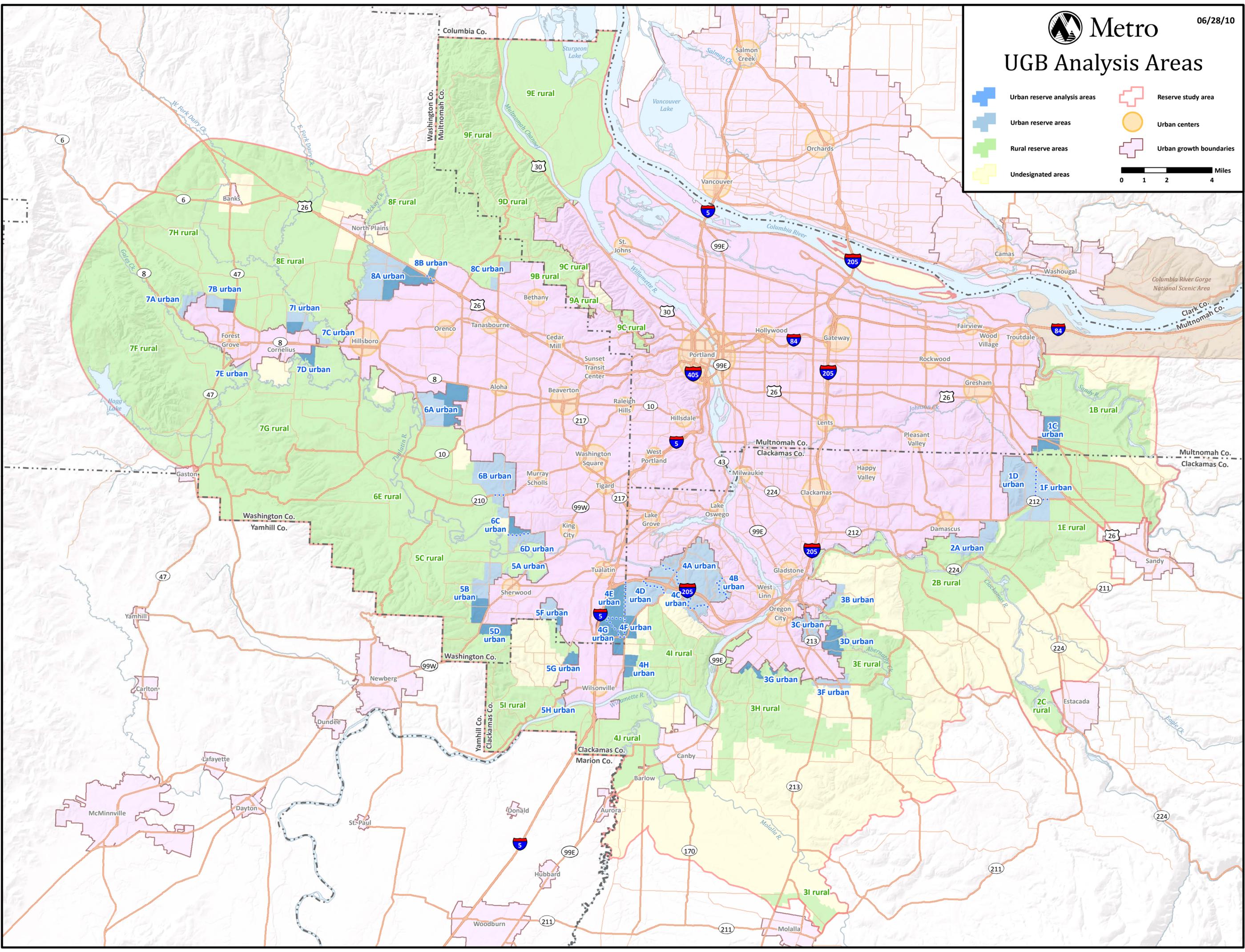
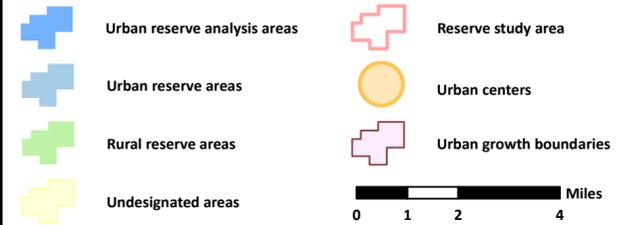
Metro Code Section 3.01.020

- Orderly and economic provision of public facilities and services;
- Comparative environmental, energy, economic and social consequences;
- Avoidance of conflict with regionally significant fish and wildlife habitat;
- Protection of farmland that is most important for the continuation of commercial agriculture in the region;
- Compatibility of proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB
- Clear transition between urban and rural lands, using natural and built features to mark the transition; and
- Contribution to the purposes of Centers.

*UGB Analysis results
included in performance
assessment*



UGB Analysis Areas



July 13, 2010

Metro Policy Advisory Committee
600 NE Grand Avenue
Portland OR 97232-2736

Dear Committee Members:

After careful consideration of the City's land use priorities, the City of Beaverton has decided to request that all of the urban reserve areas for the City be considered for immediate expansion of the urban growth boundary. Specifically, the City is requesting that all of the land designated in the Metro Reserves Regional Map as Area 6B and 8C be included in the list of land for potential Urban Growth Boundary expansion. It may seem too aggressive to consider all of Area 6B for inclusion in the Urban Growth Boundary. However, because of the conditions placed on this area to address the sensitive environmental concerns of Cooper Mountain, it makes sense to consider the area in its entirety rather than in a piecemeal manner.

Furthermore, there currently exists a gap in land area that will be available to accommodate the estimated need for the 20-year housing supply. The areas which are designated as Beaverton's urban reserves have been assumed to be primarily residential in character through the preliminary concept planning completed by Beaverton planning staff during the urban reserve identification process. These urban reserve areas are unique in that the preliminary planning leads the City to conclude that adequate infrastructure exists or can be reasonably accommodated to exist to serve these areas. This preliminary conclusion will be investigated much more thoroughly through formal concept planning for these areas.

I recognize that the City's request is later in the process than what would be optimal. However, this is a critical issue to the City, and I wanted to make sure that expansion of the Urban Growth Boundary made sense for the City. Bringing in all of the land will be the most efficient way for the City to complete comprehensive planning for the areas and their successful integration into the City and the region.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Denny Doyle".

Denny Doyle
Mayor



Date: July 7, 2010
To: MPAC
From: Malu Wilkinson, Ted Reid
Re: Large-site replenishment concept

Background:

At its July 14, 2010 meeting, MPAC will discuss the concept of a large-industrial-site replenishment mechanism. A proposal for the mechanism is being developed at the request of the MPAC employment subcommittee and MPAC. In his August 2010 recommendation, Metro's Chief Operating Officer, Michael Jordan, will recommend a number of policy changes to implement the proposal. Leading up to that recommendation, Metro staff has been working with various stakeholders and city and county staff to flesh out the concept, which is described in a short document that is part of MPAC's meeting packet.

This mechanism cannot be implemented by Metro alone. For the concept to work, city, county and regional efforts will be needed to monitor the large site inventory, protect industrial lands from conflicting uses, assemble sites and clean up brownfields.

MTAC comments:

On July 7, 2010, the Metro Technical Advisory Committee (MTAC) discussed the concept and generally found it to be worth pursuing. MTAC discussed a number of details on how the replenishment system would work. In cases where MTAC appeared to be in general agreement, Metro staff has attempted to incorporate their suggestions in the written concept piece that is part of your packet. In other cases, it was less clear that MTAC had a unified view. Areas of general agreement and topics for further discussion are summarized below.

Areas of general agreement

- The replenishment concept is worth pursuing.
- Cities and counties should notify Metro when land use approvals are granted for a site, but the replenishment mechanism should only be triggered when construction has actually begun.

Topics for further discussion

- Generally, it makes sense that a site should have to be vacant to be part of the inventory, but there are some sites with minimal improvements (e.g. a barn) that should also be included if local jurisdictions are aware of such sites.
- If a small portion of a site is developed, leaving fewer than 50 acres as vacant, should the replenishment mechanism be triggered? Should there be a requirement that a certain percentage of a site needs to be developed to trigger replenishment?
- What steps can be taken to make land already inside the UGB available for large-site industrial uses?

Policy proposal:
**Performance-based approach to replenishing large sites for
traded-sector industrial jobs**

Draft: July 7, 2010

Proposal

Create a performance-based system that maintains a target supply of large sites inside the urban growth boundary (UGB) for traded-sector industrial jobs.

Purpose

As an economic development strategy, the region intends to maintain a supply of large, vacant sites that allows it to compete with other regions¹ to attract traded-sector industrial firms. Traded-sector industrial firms sell products to consumers elsewhere in the country and world, bringing wealth into the Metro region. To support the maintenance of a competitive supply of large sites inside the UGB, the Metro Policy Advisory Committee proposed that the Metro Council should consider adopting a large-site replenishment mechanism. This system would ensure that an additional large site is made available for every large site that is developed.

Implementing legislation

If the Metro Council supports the creation of a replenishment system, the policy would be described in the Regional Framework Plan and would be implemented through Titles 4 (Industrial and Other Employment Areas) and 14 (Urban Growth Boundary) of the Urban Growth Management Functional Plan.

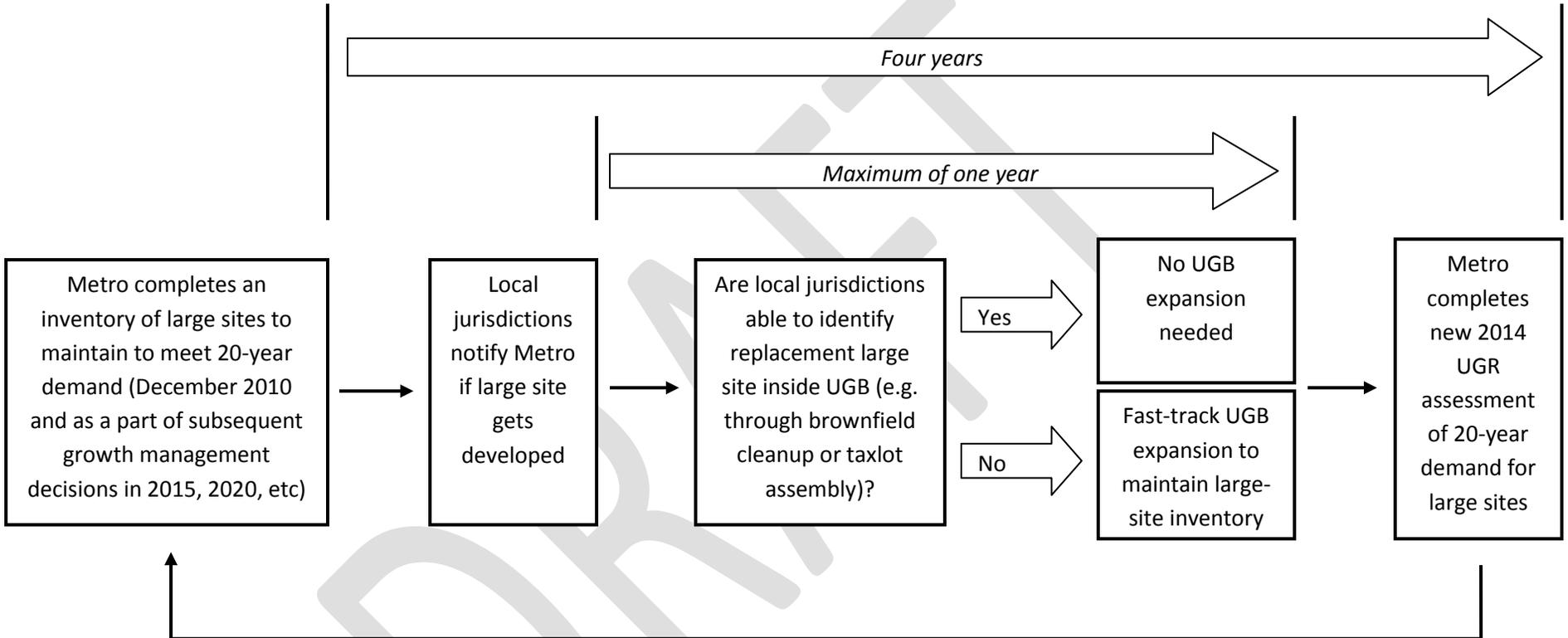
To achieve the purposes of the replenishment mechanism, regulations that protect the region's supply of large industrial sites from non-industrial uses will be essential. The region should also focus investments in a way that supports development on industrial lands.

2009 Urban Growth Report assessment

The adopted 2009 Urban Growth Report (UGR) included an analysis of large lot supply and demand for industrial uses. The UGR indicated that, as a part of the 2010 growth management decision, it may be beneficial from an economic development perspective to provide 200 to 1,500 additional acres in sites with over 50 acres.

¹ Frequently mentioned competitor regions include Austin, Albuquerque, and Raleigh-Durham.

Large-site replenishment concept



Ongoing regional and local work

- Monitor large-site inventory
- Focus investments to help make sites development-ready
- Concept planning for UGB expansion areas
- Pursue taxlot assembly and brownfield cleanup to provide additional large sites inside the UGB

Baseline inventory of large sites for monitoring

Metro has conducted a preliminary inventory of large, vacant industrial and employment sites inside the UGB. For the purpose of the inventory, the following criteria were used to identify large sites:

- The site must be large – the site must have one or more adjacent taxlots in common ownership that comprise at least 50 gross acres.
- The site must be vacant – the site must not have improvements. An exception is made for large sites that have been added to the UGB to meet industrial needs, but that had existing improvements at the time of the expansion (this is likely to be the case with future UGB expansions as well).
- The site must be intended for industrial or employment uses – the site must be designated under Title 4 of the Urban Growth Management Functional Plan (Industrial and Other Employment Lands)² or have industrial zoning.
- The site must be flat – less than 25 percent of the site is covered with slopes of 10 percent or greater.

Using these criteria, the preliminary inventory identified 18 large sites inside the UGB. The preliminary inventory is currently being reviewed by local jurisdictions.

If the Metro Council implements a large-site replenishment mechanism, a final large-site inventory would be adopted by an order of Metro's Chief Operating Officer after the adoption of the December 2010 Capacity Ordinance. The final inventory would include any large sites added to the UGB as part of the 2010 growth management decision. The final inventory of large sites would establish the target number of large sites to maintain inside the UGB through the year 2014 (the year that a new urban growth report analysis will be conducted)³.

Large-site replenishment

With a replenishment mechanism, if a large site in the inventory gets developed or if a portion of a large site gets developed, leaving fewer than 50 vacant acres, one additional large site would be made

² Title 4 is intended to protect the region's supply of industrial lands from conflicting uses.

³ The replenishment mechanism would be suspended during any year that a new Urban Growth Report Analysis is being conducted (e.g., 2014 and 2019).

available in the UGB⁴ within one year. The trigger for the mechanism would be that the jurisdiction responsible for planning the area notifies Metro that construction has begun⁵.

To satisfy state law, Metro, in coordination with cities and counties in the region, would first seek to identify efficiency measures that make an additional large site inside the UGB available for industrial use. Examples of efficiency measures include taxlot assembly or brownfield cleanup. If no efficiency measures are in place, a Major UGB Amendment process would be completed within a year of the initial notice that a large site had developed⁶. The UGB expansion would occur in adopted urban reserve areas. Advance completion of concept planning for potential expansion areas would facilitate the decision of which site to bring into the UGB. A proposed fast-track UGB expansion mechanism could be used to expedite this process.

Cyclical reassessment of large site supply and demand

Regional large-site demand and supply would be reassessed in the 2014 UGR, which would be the basis for a growth management decision in 2015. The supply of large sites that results from those decisions would be the new target inventory inside the UGB to maintain through 2020. The large-site replenishment process would again be used in those intervening years to maintain a competitive supply within the UGB.

Protection of large sites

In order to maintain a competitive supply of large sites, it is also necessary to protect sites from conflicting uses and division into smaller sites. All applicable Title 4 and zoning protections would continue to protect large sites. It is proposed that Title 4 include additional protections including the prohibition of new schools, parks, and places of assembly on Regionally Significant Industrial Areas. It is also proposed that Title 4 would prohibit division of a lot or parcel smaller than 50 acres that is part of an inventoried large site.

⁴ The replacement large site would not necessarily be provided in the same jurisdiction or submarket area as the site that gets developed. This is because Metro is obligated first to attempt to identify measures that would make more efficient use of land inside the UGB. Given Metro's charge to plan for regional growth, these efficiency measures may take place in any jurisdiction in the Metro UGB. Likewise, some cities in the region are landlocked—an expansion of the UGB cannot provide a replacement large site.

⁵ Jurisdictions would also, at an earlier date, notify Metro that land use approvals have been granted for a large site, allowing additional time to identify a replacement site in case construction proceeds. The one year period would, however begin upon notification that construction has begun.

⁶ UGB expansions will not necessarily be able to provide a large site with all taxlots in common ownership. If a taxlot assembly strategy is not already described in concept plans, such expansions should include a condition that the city responsible for planning is required to adopt a strategy for taxlot assembly. UGB expansions will also not necessarily be able to provide sites that are completely vacant. Regardless of ownership patterns or development status at the time of UGB expansion, it is proposed that any area added to the UGB under this replenishment mechanism should be included in a revised large-site inventory. Taxlot assembly needs or development status would be noted in the inventory to assist policy makers in identifying strategies for making sites development ready.