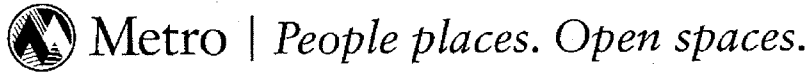


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Date: July 8, 2009  
To: Metro Council  
From: Stephan A. Lashbrook, Deputy Director of Planning and Placemaking  
Re: Summary Report – Infrastructure Case Studies

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Last fall we released a discussion draft of the public infrastructure costs in 17 locations around the region. Substantial public discussion ensued, and the report has since been updated and revised. This analysis is the first of its kind in the region, and should add to the knowledge base for decision makers when considering policy changes and public investments. Key findings from the case study analysis include:

- Public infrastructure is expensive. Even in locations where existing infrastructure has adequate capacity and can be extended to serve newly developing properties, infrastructure is not cheap.
- The lack of infrastructure has been a critical factor in the slow development of areas that have been added to the Urban Growth Boundary in recent years.
- Needs and costs vary greatly. There is so much variation from one site to the next that it is difficult to make meaningful comparisons. One site already has available infrastructure and the next does not. One has steep slopes and the next does not. One has good connectivity and the next does not.
- All sites, however, require some amount of infrastructure investment, and most require significant investments to achieve local development aspirations.
- Infrastructure to serve development is generally less expensive where a basic framework of infrastructure is already in place, even if the existing infrastructure needs maintenance work or capacity upgrades. There are exceptions to this, however, and the availability of infrastructure to serve new growth must be evaluated on a case-by-case basis.
- Only the developments that have been fully built-out can claim to have accurate information on infrastructure cost. All the rest are estimates. Even where sites have been fully developed, it is not possible to accurately identify all of the regional infrastructure costs that result.
- Nonetheless, development adds demand for regional infrastructure, and there is currently no mechanism to collect revenue to address the added costs to the region's infrastructure. Regional costs vary depending upon the form of development and distinct travel patterns created by local developments.
- Public infrastructure is an essential part of our quality of life. Given that the region must find a way to accommodate a million more residents in the next 20 to 30 years, and we hope to do this in vibrant and sustainable communities, the public will need to understand the importance of building and maintaining infrastructure. Infrastructure will demand significant public investments and the public has every right to expect a reasonable return on those investments.

## Draft “Outcomes” Policy for the Regional Framework Plan

It is the policy of the Metro Council to manage growth in the region to achieve the following outcomes:

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

Metro and local governments will adopt strategies and take actions to achieve these outcomes, measure the effectiveness of its strategies and actions in achieving the outcomes and adjust the strategies and actions over time to make them more effective. Local government strategies and actions will be defined in the Urban Growth Management Functional Plan and the Regional Transportation Functional Plan. The performance measures shall be included in an appendix to this Regional Framework Plan and may be revised as more and better data become available. The following framework and targets shall guide selecting more detailed performance measures:

<b>Economy</b>	<b>Wealth creation</b> – By 2035, the number of living-wage jobs in centers, corridors, employment and industrial areas increases by XX percent compared to 2000.
	<b>Compact urban form</b> – By 2035, the number of residents who live in centers and corridors doubles compared to 2000.
	<b>Traveler safety</b> – By 2035, crashes, injuries and fatalities decline by 50 percent compared to 2005.
	<b>Business efficiency</b> – By 2035, the cost of delay for freight and goods movement declines by XX percent compared to 2005.
	<b>Infrastructure resilience</b> – By 2035, the share of the region’s infrastructure systems in good condition increases by 50 percent compared to 2006.
<b>Environment</b>	<b>Climate change</b> – By 2035, the region reduces its greenhouse gas emissions by 40 percent from 2007 levels.
	<b>Active transportation</b> – By 2035, the region triples walking, biking and transit trips compared to 2005.
	<b>Clean air</b> – By 2035, zero percent of the region’s population is exposed to at-risk levels of air pollution.
	<b>Clean water</b> – By 2035, all of the region’s streams and rivers are fishable <sup>1</sup> and swimmable.
	<b>Healthy ecosystems</b> – By 2035, tree and other vegetative cover in the region increases by 5 percent and impervious surface declines by 10 percent compared to 2007.
<b>Equity</b>	<b>Affordability</b> – By 2035, the share of the region’s households that are cost-burdened declines by 20 percent compared to 2000.
	<b>Access to daily needs</b> – By 2035, the share of region’s low-income, minority, senior and disabled populations that live within 30 minutes of essential destinations by public transit increases by 50 percent compared to 2000.
	<b>Access to nature</b> – By 2035, XX percent of the region’s residents live within ½-mile of a park, open space or regional trail.

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<sup>1</sup> Rivers and streams that have historically been fish-bearing.

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### **Approach:**

The data supporting this report were compiled over the last year by Metro staff and consultants, working with the local jurisdictions where the subject properties exist. A wide variety of sites have been addressed. The list includes sites that have been fully developed in recent years as well as sites that are still at the concept planning level. Some have been partially developed. The case study areas include some with a focus on employment, some with a focus on housing, and some that combine the two. Some sites are redevelopment areas (e.g., the Brewery Blocks and Lake View Village). Others are primarily greenfield locations (e.g., Springwater).

The staff distributed the new draft case study report to all of the communities that have development areas listed, asking for their edits, suggestions and updated information. We received responses from a number of the local jurisdictions, including some new information. The report has been edited and includes those corrections.

### **Key revisions:**

First, the earlier report combined local and regional infrastructure costs for each case study area. The regional infrastructure cost analysis used projected commute distances as a proxy for impacts to the regional infrastructure system. In the revised report, the projected commute distances are shown, but no specific dollar figures are estimated for regional costs. Given that the regional cost estimates are based on national infrastructure cost averages and the fact that the analysis works well at a regional scale but, like all modeled results, becomes less precise for specific locations, the emphasis of this report is on local and community infrastructure costs.

Second, the earlier report converted non-residential development (i.e., jobs) to equivalent dwelling units (EDUs) at a five-to-one ratio. While this sort of formula is useful for region-wide modeling, it has limitations on an individual case-study basis. For example, the 200 retail, restaurant and office jobs created in a one-block portion of Lake Oswego's downtown redevelopment area can be expected to generate substantially different infrastructure demands than 200 manufacturing jobs in Hillsboro or 200 warehouse jobs in Wilsonville. Comparing them to one-another, and assuming that they all have the same relationship to residential infrastructure demands, is problematic. For those reasons, the revised report lists all projected housing units and jobs without attempting to equate the infrastructure demands of jobs to those of housing.

### **Connection to Making the Greatest Place Initiative:**

The findings of the infrastructure case study analysis support Metro's efforts to work with cities and counties across the region to achieve their local aspirations and the six Desired Outcomes of a successful region,

- Case studies show that we can not draw universal conclusions about the costs of public infrastructure. There are both financial and qualitative decisions to be made. We must ask what we hope to accomplish with our infrastructure investments in terms of the development that will result. We must make strategic choices about how we invest limited public infrastructure dollars.
- Investment produces results – or, conversely, not investing will ensure we do not produce results. Public investments help to shape the built environment, and the region will need to invest to achieve the six Desired Outcomes.
- Every community in the region needs infrastructure investment. We need to be proactive in working with our regional partners to find the revenue for these investments.

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- The focus of our growth management decisions this year is to identify the gap between demand and supply. However, in 2010 we will need to figure out how best to fill that gap. Information about the adequacy and cost of infrastructure will help to inform those decisions. Our investment decisions, and those of local service providers, will help shape the region as we go forward