

A G E N D A

600 NORTHEAST GRAND AVENUE PORTLAND, OREGON 97232-2736



METRO

TEL 503-797-1540 FAX 503-797-1793

MEETING: METRO POLICY ADVISORY COMMITTEE

DATE: July 28, 2004

DAY: Wednesday, 5:00-7:00 p.m.

PLACE: Metro Council Chamber/Annex

NO	AGENDA ITEM	PRESENTER	ACTION	TIME
	CALL TO ORDER	Becker		
1	INTRODUCTIONS	All		5 min.
2	ANNOUNCEMENTS	Becker		3 min.
3	CITIZEN COMMUNICATIONS FOR NON-AGENDA ITEMS			3 min.
4	CONSENT AGENDA • Meeting Summary for July 14, 2004	Becker	Decision	5 min.
5	COUNCIL UPDATE	Bragdon		5 min.
6	GREATER METROPOLITAN EMPLOYMENT LANDS STUDY (GMELS)	Bookin	Briefing	45 min.
7	BALLOT MEASURE 36: Governments must pay owners, or forgo enforcement, when certain land use restrictions reduce property value	Cooper	Briefing	30 min.

UPCOMING MEETINGS:

September 8 & 22, 2004

NOTE: NO MEETINGS IN AUGUST.

For agenda and schedule information, call Kim Bardes at 503-797-1537. e-mail: bardes@metro.dst.or.us

MPAC normally meets the second and fourth Wednesday of the month.

To receive assistance per the Americans with Disabilities Act,
call the number above, or Metro teletype 503-797-1804.

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

METRO POLICY ADVISORY COMMITTEE MEETING RECORD

July 14, 2004 – 5:00 p.m.

Metro Regional Center, Council Chambers

Committee Members Present: Charles Becker, Nathalie Darcy, Rob Drake, Dave Fuller, Gene Grant, John Hartsock, Tom Hughes, Richard Kidd, Lisa Naito, Doug Neeley, Wilda Parks, Larry Smith, Ted Wheeler

Alternates Present: Larry Cooper,

Also Present: Beverly Bookin, CCA/CREEC; Hal Bergsma, City of Beaverton; Cindy Catto, AGC; Danielle Cowan, City of Wilsonville; Brent Curtis, Washington County; Kay Durtchi, MTAC; Meg Fernekees, DLCD; Ed Gallagher, City of Gresham; Laura Hudson, City of Vancouver; Jerry Johnson, Johnson Fardner LLC; Stephen Lashbrook, City of Lake Oswego; Irene Marvich, League of Women Voters; Laura Pryor, Judge – Gilliam County; Jonathan Schlueter, Westside Economic Alliance; Lainie Smith, ODOT; David Zagel, TriMet

Metro Elected Officials Present: Liaisons –David Bragdon, Council President; Susan McLain, Council District 4

Metro Staff Present: Kim Bardes, Dan Cooper, Andy Cotugno, Chris Deffebach, Sherry Oeser, Mary Weber

INTRODUCTIONS

Mayor Charles Becker, MPAC Chair, called the meeting to order 5:05 p.m. Those present introduced themselves.

1. ANNOUNCEMENTS

Chair Becker asked the members if, as there weren't a lot of agenda items on the docket, they would be interested in canceling the July 28th and August 28th meetings or would they rather cancel the two meetings in August? The committee agreed that they would hear the GMEL presentation on July 28th and cancel the two August meetings.

3. CITIZEN COMMUNICATIONS

Mayor Dave Fuller gave an overview of a meeting that was held in Wood Village about Goal 5 and a man who clear-cut his property. The meeting was held because citizens were concerned about Goal 5 and what it meant for their community and properties.

Council President Bragdon said that they would have to address rumors head on and let the public know that there were a lot more outreach and public involvement opportunities to come, and that this process was a very long process, and it was a project that had already been on the table for two years.

Richard Kidd said that Forest Grove had a policy that citizens had to get a permit to cut a tree. However, the system was set up so that the permit was free, but a person from the city would go out to look at the tree and try to convince the citizen not to cut it down.

Dave Fuller said that there was wide interest and high attendance at the Wood Village meeting.

Gene Grant said that there were developers in his area trying to buy up land and clear some of it for development. He said that the only way to get people to stop clear cutting was to convince them that their rights were protected and also to address the taking rights issue.

Lisa Naito agreed with Gene Grant. She suggested that they put out some sort of assurance to the public. She admitted that if someone wanted to clear-cut their property then no amount of public outreach or education would necessarily stop them.

Dave Fuller said that when people clear cut lots they actually lessened the value of their property.

Lisa Naito said that sharing that type of information/education with the public might help.

4. CONSENT AGENDA

Meeting Summary for June 9, 2004.

Motion:	Rob Drake, Mayor of Beaverton, with a second from Richard Kidd, Mayor of Forest Grove, moved to adopt the consent agenda without revision.
Vote:	The motion passed unanimously.

5. COUNCIL UPDATE

Council President David Bragdon said that there wasn't much to report as things had quieted since the UGB decision had been made. He introduced Wilda Parks and Ted Wheeler as the new citizen representatives for Clackamas County and Multnomah County respectively. He said they would be hearing about the Beaverton Town Regional Center work shortly, and he told them about a Centers tour of Beaverton and Hillsboro, and he also said that there was another one coming up for Gresham.

6. BEAVERTON REGIONAL CENTER

Jerry Johnson gave a presentation on the Beaverton Regional Center project. Those slides are attached and form part of the record.

Tom Hughes said that the presentation touched on issues that Hillsboro had experienced. If they were to find funding, it would need to go into parking structures. They would also need to project how that would affect the rents of the area. He suggested that maybe as a group they could brainstorm on the parking structure hurdle and find ways to work with that and still achieve their goals.

Jerry Johnson said that parking was the biggest issue they had as a region when planning for center growth. It was especially difficult for the smaller communities. Once the parking issue was addressed then most of the problems for center growth would have been addressed. It was a large funding issue, and it was difficult for smaller cities to pick up the tab.

John Hartsock asked if the cost per square foot on structure parking was less than or greater than the adjacent dirt cost?

Jerry Johnson said that price ran about \$15,000 or \$20,000 per space. The current rule of thumb was \$35 or more for structured parking. Development looked at the residual. Rents were covering construction costs and what was left over was what they could afford to pay for parking. That was your land value, so if you changed your rent structure or sale price, your residual would turn around quickly and the land value would go from \$10 to \$35 very quickly. At the \$35 point, it would then make sense for them to build the structured parking.

Gene Grant said that parking for offices was not the be all or end all – he said that you could not put up parking structures and expect to fill commercial office space. The high-rise office buildings were located on the freeway interchanges.

Jerry Johnson said that there were areas that were stronger as a location for a structure for office buildings. He said that primary locations would have a lot of capacity, but secondary locations may take some time to build up. He said that Beaverton was centrally located but those businesses on the periphery would have a harder time developing the rent curve enough to get the funding to build a parking structure.

Gene Grant said that if they had money in Damascus or Happy Valley and tried to attract high-rise developers out there, they would not see any real action. He said that Mr. Johnson had indicated that low-income housing, senior housing, and condominium housing worked well for development of parking structures. He said that in most cases those catered to senior or young adult. The ones that you wouldn't attract to that type of housing were families with children. He said that was a segment that they would not be able to budge.

Jerry Johnson said that he was right, and that there was a large part of the market that would settle outside the regional centers. That was the nature of the housing appeal for the different groups/markets.

Rob Drake thanked Metro for the grant to help their downtown. The process confirmed some things for them and they also learned some things by participating. He said that one consistent thing he had heard from constituents since light rail had been brought to Beaverton was frustration over the lack of vertical parking along light rail. The study gave them the opportunity to pull properties together. Some assistance for parking might give investors or developers more incentive to invest in those areas. The process reminded Beaverton Council of some of the opportunities that were available, and the tools that might be utilized to achieve healthier centers.

7. TUALATIN BASIN FISH & WILDLIFE PROGRAM

Brent Curtis gave a PowerPoint presentation on the Tualatin Basin Fish & Wildlife Program. Those slides are attached and form part of the record.

Doug Neeley asked if every jurisdiction was required to do the job.

Brent Curtis said that eventually everyone in the region would participate. If Metro made it part of their functional plan then each one of the local governments that was a member of the coordinating committee had said that they would take it to their local elected officials as ordinances to implement the program.

Each one of those governments would then make a decision about whether they would implement the program in whole or substantial part.

Doug Neeley said that during the presentation Mr. Curtis had said something about not utilizing the System Development Charge (SDC) for Goal 5 resources, and he wanted to know if that would include park SDC or would they look at it in a different way by each jurisdiction.

Brent Curtis said a park was a park and not a Goal 5 natural resource. If a park had a Goal 5 resource but was chiefly a park they could then charge SDC.

Doug Neeley said that SDC could be used for purchasing new land for parks. Therefore, could an SDC for parks, or the procurement of open spaces, be included in the program?

Brent Curtis said it would have secondary or ancillary benefits as Goal 5 resources, and that was probably legal, but if the chief reason he wanted to use a park SDC was to buy and reserve natural resources that weren't for parks, that was a dubious legal proposition.

Larry Cooper expressed concern about adding fees/taxes to the burden of taxpayers.

Brent Curtis said that they all had to continue to meet federal law. A big part of the SWM fees was to respond to clean water act requirements for the sewer system. He said it would be a good thing to take the existing fee structure and use it for Goal 5 benefits. The question, at heart, was do the constituencies, as represented by their elected officials, want to improve the environmental health of each site. He said that they had two fundamental choices: 1) try to do that on the back of developers, or 2) ask more broadly if that was a public good/benefit.

John Hartsock said the problem with that was that they were not asking the community.

Brent Curtis said that he was talking about a fee that was in place and adjusting it to apply to the exact same purpose that the people in the region had collected it for. He said that the opposite approach would be a tax.

Several people said that no matter what you called it, that was still a tax.

Brent Curtis said that the program was currently only a proposal. It still had to be evaluated by the coordinating committee. They had notified 40,000 property owners and they would be engaging in outreach, and there would be another notice to those same property owners before they were done.

Rob Drake said they had a good point but the clean water act would ultimately dictate on that issue. The constituents would eventually decide to either protect it or not. He said that he would personally rather implement something like that through a local decision. He said he was willing to support clean water. He suggested they offer a payment structure that was fair and applied some compensation.

Tom Hughes said that the other side of that was that the local jurisdictions could collect the fee throughout the region. The fee would be to improve the health of resources. The federal government would tell them that they had to do that. As they looked around for funding resources to accomplish those goals, they would know that they could not improve the quality of the resource unless there was additional money to put into it. He said that he thought the most politically saleable thing to happen

would be to raise the money to put towards the resource to restore and improve the resource. That would take care of federal mandates and any other mandates that they had to meet.

Dave Fuller said that the real issue was property rights. He said that people were feeling that there were levels of government above the local government that was forcing them to do things to their property that they would do anyway, but perhaps in a different manner. He said that his impression was that people would mitigate their own problem by getting rid of it before it happened.

Susan McLain said that they all strongly wanted to figure out how to protect property rights. Metro and the Tualatin Basin had given the public options. The people might object to the fees and how they added up, but they always seemed to want to protect the environment in the long run.

Richard Kidd said that he was on the committee that worked on the program. He said that constituents had told them that they liked the environment, and they live where they live because it was a great place to live, work, and play. He suggested that constituents would want to know what they were getting for the fee they were paying, and therefore the project lists should be supplied to the public so that people could see what their money was buying them.

Dave Fuller said that each individual property owner would want to know what he or she would get for the fee and how their property would be affected.

Richard Kidd said that each person that went to the open house would be able to see how his or her property fit into the program.

There being no further business, Chair Becker adjourned the meeting at 7:09 p.m.

Respectfully submitted,

Kim Bardes
MPAC Coordinator

ATTACHMENTS TO THE RECORD FOR JULY 14, 2004

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

AGENDA ITEM	DOCUMENT DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
#7 Tualatin Basin Fish & Wildlife Program	July 2004	PowerPoint slides of the Beaverton Regional Center Development Strategy presentation by Jerry Johnson	071404-MPAC-01

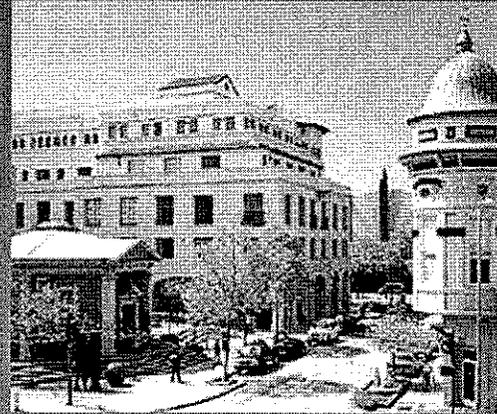
Greater Metropolitan Employment Lands Study (GMELS):

Phase I Summary &
Proposed
Economic/Land Use
Definitional
Framework

Prepared By:

E.D. Hovee & Company
Barney & Worth, Inc.
Otak, Inc.
Group Mackenzie

June 22, 2004



GREATER METROPOLITAN EMPLOYMENT LANDS STUDY (GMELS) PHASE 1

TABLE OF CONTENTS

GMELS Problem Statement	GMELS Management Committee	1/1/04
GMELS Phase 1 Summary Report	E.D. Hovee & Company	6/22/04
GMELS Economic/Land Use “Definitional Framework”: An Exploratory Model	GMELS Management Committee	6/29/04
GMELS Phase 1 Recommended Next Steps	GMELS PAC	7/16/04
GMELS Committees and Consulting Team		
<u>Technical Reports</u>		
Phase 1 Work Scope	GMELS Management Committee	11/15/03
Employment and Development Megatrends Assessment	E.D. Hovee & Company	4/9/04
Regional 2040 Growth Concept Case Studies	Group Mackenzie	3/24/04
GMELS National Land Use Case Studies And Land Use Matrix	Otak	3/24/04
Industrial and Commercial Stakeholder Interview Results	E.D. Hovee & Company	4/9/04
GMELS Focus Group Discussion: Preliminary Results	Barney & Worth, Inc.	5/3/04
Definitional Framework Alternatives For Employment Lands	E.D. Hovee & Company	4/9/04

GREATER METROPOLITAN EMPLOYMENT LANDS STUDY (GMELS) PROBLEM STATEMENT

Introduction. The Greater Metropolitan Employment Lands Study (GMELS) has been initiated to gain a better understanding of the characteristics and projected demand for land that will be needed in the Portland/Vancouver metropolitan area for all types of employment related to industrial, retail, office, institutional and home-based uses in the next 20 years. Many of the region's local jurisdictions and economic development agencies as well as private-sector commercial real estate and development interests believe that a comprehensive review of all "employment land" is an essential tool that is necessary for an effective regional economic development strategy.

GMELS is an outgrowth of the Regional Industrial Land Study (RILS), which provided a comprehensive report on the availability of development-ready industrial land in the Portland/Vancouver metropolitan region. Sponsored by a broad-based public/private partnership during 1999-2002, the study documented a severe shortage of such land, particularly parcels larger than 50 acres, which is hampering the region's economic recovery and future growth. As a result of the study, local, regional and state decision-makers have been galvanized to rectify the problem. RILS was particularly helpful to Metro, Portland's regional government, during its recent Periodic Review to expand the regional Urban Growth Boundary (UGB), and to Clark County, during its current effort to update its Comprehensive Plan. Many of the partners involved in RILS felt that a similar need exists to identify the unique characteristics of the home-based, retail, office, and institutional activities as well as better understand the relationship of these with the industrial sector.

Problem Statement. There is a growing awareness that old notions of land classification are increasingly inadequate to the task of describing either the current or projected relationships between economic activity and physical location. Simply stated, the distinctions among uses that once permitted them to be easily segregated in physical space, e.g., retail and industrial activities, are becoming increasingly blurred. Consequently, it is time to take a new and more over-arching look at the characteristics of the economic activity likely to develop in the Portland/Vancouver metropolitan area in coming decades, including location, scale, land/occupancy costs, building format, parking/mass transit availability, adjacencies to like/support uses, so that public and private investment strategies and zoning and other land use regulations can be more responsive and supportive of desired economic development.

GMELS is designed to 1) gain a better understanding of the characteristics and projected demand for land that will be needed in the Portland/Vancouver metropolitan area for all kinds of employment over the next 20 years; and 2) develop recommendations to ensure that an adequate land supply and supportive land use regulations are in place to facilitate this economic development. For purposes of the study, the "region" includes the six-county Portland-Vancouver Metropolitan Statistical Area (MSA) including Clark, Multnomah, Washington, Clackamas, Columbia and Yamhill Counties. The overall objectives of the three-phase GMELS study are to:

- Explore evolving trends in economic and employment activities regionally, nationally and globally and apply this information to existing and projected economic conditions and regulatory frameworks in the study area.
- Develop consensus among a broad coalition of public, private and non-profit sector stakeholders

about a definition of “employment land” that balances private-sector and public policy objectives, and determine how to apply this definition within the existing comprehensive and regional planning and land use regulatory framework for purposes of future data analysis.

- Using this definitional framework, develop a methodology for undertaking an inventory of the supply of employment land in the region, taking into consideration location, scale, land/occupancy costs, building format, parking/mass transit availability, and adjacency requirements to like/support uses (“clustering”). Explore how to use existing urban and expansion lands more efficiently, utilizing emerging trends in facility and site design.
- Forecast the demand for employment land in the future, including for various types, locations, market areas and single-use/mixed-use configurations, taking into consideration emerging market trends and methods for improving the efficiency of land utilization.
- Explore the physical and economic relationships between industrial and other employment activities, especially activities in office and retail formats, to address remaining questions arising from the earlier Regional Industrial Land Study (RILS) and more recently in the Metro 2040 Functional Plan’s Title 4 (Industrial and Employment Land) discussions.
- Develop recommendations to address the findings of the study, taking into account economic, political, policy, regulatory and technical factors, and formulate implementation strategies for acting on these recommendations.

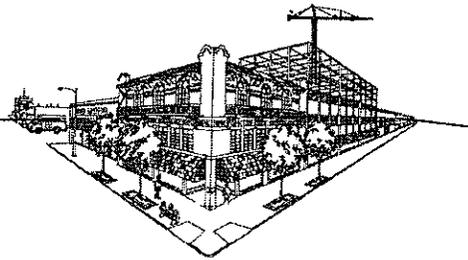
The overall study includes three phases of work:

- Phase 1: Problem Statement and Definitional Framework
- Phase 2: Forecast of Employment Land Supply and Demand
- Phase 3: Policy Implications, Recommendations and Implementation Strategies

Phase 1 Work: As of 7/15/04, the Phase 1 work has been completed after seven months of work, the mutual effort of the GMELS Technical Advisory Committee (TAC), assisted by a Management Subcommittee, and the Phase 1 consulting team headed by E. D. Hovee & Company. The two major work products of the phase include: 1) an “exploratory model” of a new “Economic/Land Use Definitional Framework” that potentially can provide the basis to forecast the future state, regional and/or local demand for employment land to guide economic development efforts and future expansions; and 2) recommendations/next steps to be reviewed for adoption by the GMELS Policy Advisory Committee (PAC) regarding subsequent work. In addition, there were several interim valuable work products – “Employment and Development Megatrends Assessment”, “National Case Studies”, “2040 Growth Concept Case Studies”, “Industrial and Commercial Stakeholder Interview Results”, and “GMELS Focus Group Findings” – that were used to inform the development of the exploratory definitional framework. However, as these also contain valuable information and insights, these products will be archived so that they are available for use in subsequent GMELS work and related planning efforts.

E. D. Hovee & Company

Economic and Development Services



Memorandum

To: GMELS Management Committee and Technical Advisory Committee
From: Eric Hovee
Subject: GMELS Phase 1 Summary Report
Date: June 15, 2004

The Greater Portland Metropolitan Employment Land Study (GMELS) was initiated to yield a better understanding of the types of land needed in the Portland/Vancouver metropolitan area for a full range of employment – including industrial, retail, office, institutional, mixed-use and home-based uses. *Phase 1* was intended to result in a “definitional framework” for employment land – responsive to national and global economic trends within the context of opportunities for best practice land use planning.

This memorandum is intended to provide a summary overview of the Phase 1 study. This overview is organized to cover the following topics:

Background & Purpose
Research Results
Planning & Zoning Options
Focus Group Response

The ultimate product of Phase 1, the Economic/Land Use Definitional Framework, is presented as a free-standing document. Also being submitted with this report but as separate documents is the full compendium of research conducted by the GMELS Phase 1 consultant team.

Background & Purpose

GMELS is an outgrowth of the Regional Industrial Land Study (RILS), which provided a comprehensive report on the availability of development-ready industrial land in the Portland/Vancouver metropolitan region. Sponsored by a broad-based public/private partnership during 1999-2002, the study documented a severe shortage of such land, particularly parcels larger than 50 acres, which is hampering the region’s economic recovery and future growth.

RILS was particularly helpful to Metro, Portland’s regional government, during its recent

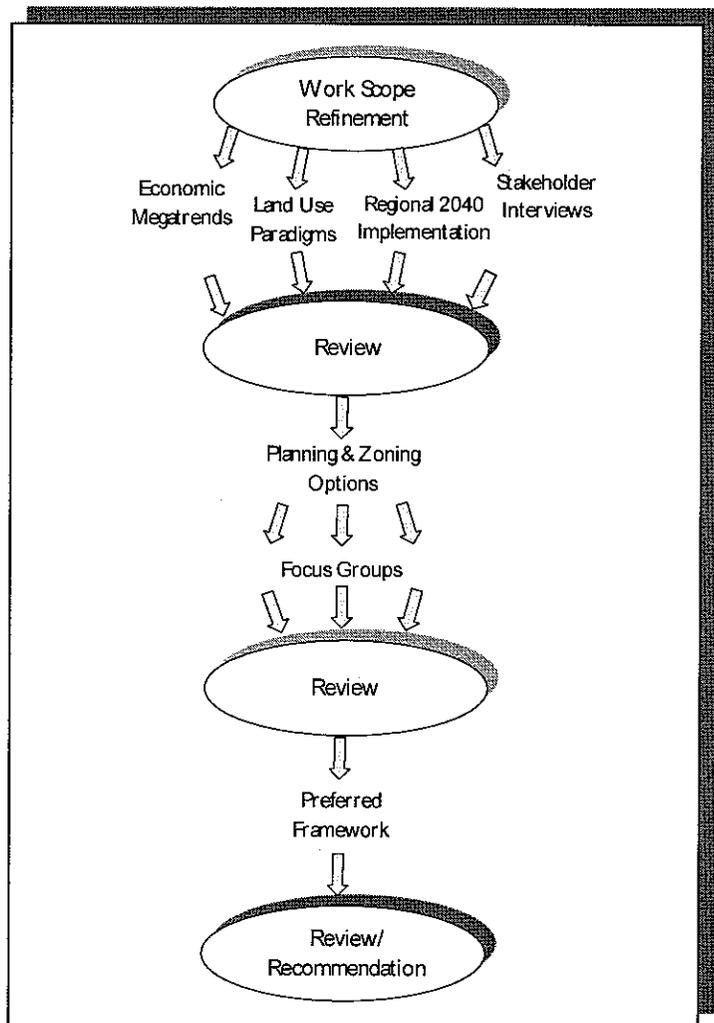
Periodic Review to expand the regional Urban Growth Boundary (UGB), and to Clark County, during its current effort to update its Comprehensive Plan. Many of the partners involved in RILS feel that a similar need exists to identify the unique characteristics of the home-based, retail, office, and institutional activities as well as better understand their relationship with the industrial sector. There also is a growing awareness that old notions of land classification are increasingly inadequate to the task of describing and regulating the current and projected relationships between economic activity and physical location.

GMELS Purpose. In response to these issues, the GMELS has been designed to:

- 1) Gain a better understanding of the characteristics and projected demand for land that will be needed in the Portland/Vancouver metropolitan area for all kinds of employment purposes including retail, office, industrial and institutional uses over the next 20 years.
- 2) Develop recommendations to ensure that an adequate land supply and supportive land use regulations are in place to facilitate this economic development.

GMELS Objectives. Overall objectives of the three-phase GMELS study are to:

- Explore evolving trends in economic and employment activities regionally, nationally and globally and apply this information to existing and projected economic conditions and regulatory frameworks in the study area.
- Develop consensus among a broad coalition of public-, private- and non-profit sector stakeholders about a definition of “employment land” that balances private-sector objectives and public policy objectives, and determine how to apply this definition within the existing comprehensive and regional planning and land use regulatory framework for purposes of future data analysis.
- Using this definitional framework, inventory the supply of employment land in the region, taking into consideration location,



site size and development characteristics. Explore how to use existing and expansion land more efficiently, utilizing emerging trends in facility design.

- Forecast the demand for employment land in the future, including for various types, locations, market areas and single-use/mixed-use configurations, taking into consideration emerging market trends and methods for improving the efficiency of land utilization.
- Explore the physical and economic relationships between industrial and other employment activities, especially office and retail uses, to address remaining questions arising from the earlier Regional Industrial Land Study (RILS) and more recently in the Metro 2040 Functional Plan's Title 4 (Industrial and Employment Land) discussions.
- Develop recommendations to address the findings of the study, taking into account economic, political, policy, regulatory and technical factors, and formulate implementation strategies for acting on these recommendations.

For purposes of the study, the “region” has centered on the six-county Portland-Vancouver Metropolitan Statistical Area (MSA) including Multnomah, Washington, Clackamas, Clark, Yamhill and Columbia Counties, of which the first four “urban” counties are the primary focus.

In effect, GMELS represents a new and more over-arching look at the types of economic activity currently occurring, as well as that expected to occur in the Portland metropolitan area. This fresh look is also necessary to examine the ways in which economic activity might be arrayed across the urban landscape, so that public and private investment strategies and zoning and related land use regulations can be more responsive and supportive of economic development consistent with market trends and public policy.

GMELS Consultant Team & Governance. Phase 1 GMELS has been conducted by the consulting team of E. D. Hovee & Company (trends research and project management), Otak Inc. (land use case studies), Group Mackenzie (Region 2040 case studies), and Barney & Worth, Inc. (focus group facilitation). Representatives from all firms participated in conducting stakeholder interviews.

GMELS is governed by a 36-member Technical Advisory Committee (TAC) which assigned a six-member Management Subcommittee to oversee the work of the consulting team. A Policy Advisory Committee contains representation from each of the project funders and other key stakeholders. The Commercial Real Estate Economic Coalition (CREEC) has provided project management and serves as fiscal agent on behalf of the Management Subcommittee.

Project Phases. As with RILS, the overall GMELS approach potentially contains three phases of work:

- *Phase 1:* Problem Statement and Definitional Framework (*this phase*)
- *Phase 2:* Forecast of Employment Land Supply and Demand
- *Phase 3:* Policy Implications, Recommendations and Implementation Strategies

Research Results

Phase 1 research focused on four topics defined by the GMELS TAC:

- Employment & development megatrends
- Land use case studies
- Region 2040 implementation case studies
- Stakeholder interviews

Summarized below are the results of these employment and land use research activities. More detailed documentation is provided with separate attachments to this summary report.

Employment & Development Megatrends: As a starting point for GMELS, research was conducted to identify both existing and emerging *megatrends* affecting the American economy and development over the next 10-20 years. The implications of these overall trends for the Portland metro area and employment-related land use were then subsequently evaluated and tested through a series of focus group discussions.

This megatrends assessment clearly suggests that the American economy is in the early stages of a potentially profound transition – from a *baby boomer*-driven workplace to an older and more slowly-growing workforce – except as offset by in-migration including well-educated younger adults. This means that the employment experience of the last 20 years may be increasingly less applicable to what can or should be anticipated in the years ahead.

From a real estate perspective, traditional distinctions between industrial and commercial uses are increasingly *blurred* – exemplified by changing economic metrics from the Standard Industrial Classification (SIC) to the North American Industrial Classification System (NAICS). With the exception of retail and industrial/office end-user opportunities, the economic rebound may yet be several years away. When the market does return, it will not necessarily be a return to “business as usual” but to a much more globally-competitive landscape – with older properties perhaps increasingly left behind.

Nationally, industrial property prospects are currently brightest for distribution and weakest for flex-tech – with considerable uncertainty for manufacturing space. Issues affecting return of a competitive office market supporting new development include potential slowed workforce growth and continued corporate preference for suburban and exurban campus/business park sites. Consumer retail spending remains surprisingly strong, but with development product headed in two divergent directions – large-format and fine-grained urban street retail.

Land Use Case Studies: Seattle, Raleigh/Durham, Phoenix, Oakland, Vancouver British Columbia, Hamilton Ontario and Singapore were selected as national/international case studies because of their reputation for innovative economic development and land use planning. With the exception of Seattle and Vancouver BC, most have proactive regional planning with aggressive economic development efforts targeting defined business and industrial clusters.

There is considerable diversity in the approach that these regions have taken to land use planning for employment – with approaches ranging from more exclusive use zones to emphasizing increased employment density and mixed use. Of the case studies, Oakland and Hamilton are actively focused on industrial retention and attraction while Raleigh/Durham and Phoenix emphasize high-wage jobs. Incentives available also vary widely.

Oakland is shifting away from allowing commercial and housing uses in industrial zones. Phoenix and Raleigh/Durham allow commercial office in industrial zones, but also have a large supply of low-cost industrial development sites.

More innovative employment planning appears to be occurring in high-density and international locales. For example, Vancouver and Singapore are testing new industrial zoning approaches allowing a wider range of employment and, in some cases residential, uses with higher densities in industrial areas.

Region 2040 Implementation Case Studies: Dawson Creek, InFocus, Intel Jones Farm Campus, Synopsis, Port of Portland Terminal 1 and Mall 205 were selected to illustrate issues at the interface of metro area economic development and land use planning. Four sites are “green-fields” while the latter two involve redevelopment. A separate non-site specific case study was conducted for Clark County industrial zoning and development code updates, predicated on incorporation of a NAICS use classification system.

Of the site specific projects, each has experienced development investment but none are yet fully built-out. In all cases, significant and potentially *deal-breaking* land use issues were experienced but have been resolved allowing development to proceed. However, there are potential issues yet to be addressed regarding future phase development and/or desires for flexibility in changing future use.

For industrial sites, a challenging issue is proving to be the extent and conditions under which commercial office and support services may be allowed. Existing users want flexibility to change uses within their existing operations, with new development and with ability to secure marketable reuse in the event of future downsizing. The two redevelopment sites pose perhaps the greatest challenges in reconciling market opportunity with land use planning objectives.

Stakeholder Interviews: More than 40 interviews were conducted with a representative cross-section of primarily private-sector stakeholder interests throughout the Portland-Vancouver metro area. Trends in site use over the last decade include greater industrial focus on *core business operations* together with the urban trend toward retail and residential *mixed-use* development.

- Developers and property managers design for flexibility to maximize marketability upon re-lease.
- End users are more attuned to customizing space to the needs of their particular operation and also are more likely to reserve excess land for future expansion.
- Industrial/campus users and developers alike tend to prefer a homogenous area, surrounded by like users, albeit with more nearby supporting retail and services.

- Retailers prefer proximity to customers and/or integration with housing, consistent with Metro's 2040 Centers concept.

In choosing sites, major employment users and developers place priority on highway and freeway access – with I-5 access of greatest importance for industrial/distribution activity. Other repeatedly-mentioned siting criteria include rapid permitting in a “controllable time-line,” available and cost-competitive land complete with infrastructure, and access to a well-educated labor force. Retailers including *big-box* uses may be more willing to adapt to urban design and parking limitations to gain access to the local market.

The *strengths* of the region's land use planning system include preservation of value, certainty of use, and improved local permitting systems, including the Governor's *shovel-ready* site program. *Weaknesses* include reported high cost of development, confusing and changing codes, slow permitting, and lack of developable land. *Desired changes* are more flexibility with industrial zoning and design flexibility for urban development sites.

Planning & Zoning Options

Based on results of this preliminary research, the following definitional framework alternatives were outlined for focus group presentation and discussion during the months of April and May:

- *Existing Framework* – maintaining current use-based zoning together with Metro design types.
- *Commercial/Industrial Code Refinement* – making minor modifications to existing employment zones offering greater flexibility and responsiveness to emerging market opportunities.
- *Performance Zoning* – simplifying or eliminating existing use-classification zoning in favor of performance standards to address conflicts between neighboring uses.
- *Urban Form & Design Zoning* – de-emphasizing use classifications in favor of broad design types and density objectives.
- *Other Options* – as identified by focus groups including possible hybrid combinations.

Focus Group Response

Results of Phase 1 research together with draft planning and zoning options were reviewed in five focus groups involving approximately 75 participants plus a sixth Policy Advisory Committee (PAC) for summary review and discussion:

- Regional Economic Partners
- Industrial / Office Developers
- Retail
- Environmental / Agriculture
- Residential / Mixed-Use Developers

- GMELS PAC

Focus group discussions lasted 90 to 120 minutes. Each session began with an overview of GMELS preliminary research findings: from the megatrends analysis, global and local case studies, and stakeholder interviews. Group discussion was invited on three questions:

1. GMELS research “Highlights” – are these consistent with your observations?
2. What steps will be most important to meet regional employment needs over the next twenty years?
3. Planning & Zoning Options:
 - Strengths and weaknesses?
 - Your preference?
 - Possible refinements? How to make it work?

The following presents a general *summary overview* of the focus group discussion results:

Reaction to Research Highlights

- Focus group participants generally validate the findings from GMELS Task 1 research.
- The economy is being transformed – but it’s not clear in what direction.
- The key to the region’s most successful development projects has been flexibility offered by local jurisdictions to private users and developers.
- There’s interest in finding out more (empirical evidence) to help confirm:
 - ✓ The changing nature of employment
 - ✓ Who is coming to the Portland region – and who is leaving
 - ✓ How planning and zoning approach and regulations, as well as the development process, timing, and costs here compare with competing regions
 - ✓ The emerging needs of existing employers
- Shared concerns include:
 - ✓ Long lead time and uncertain outcome for development review and permitting
 - ✓ Infrastructure / services not linked to planning and zoning – a “disconnect”
 - ✓ Portland no longer competitive with other regions to attract / retain employers
 - ✓ Region moving toward a “one size fits all” approach to planning and zoning, sacrificing variety among communities, undercutting market responsiveness
 - ✓ Differences between urban and suburban mixed-use warrant different regulatory response.
- The current system overlooks, or discounts, the needs of some employers (e.g., industries in transition, retail, institutions, agriculture)

Most Important Steps for Next 20 Years

- Provide flexibility!
- Streamline planning rules and development review process; create a “culture of responsiveness”.
- Provide infrastructure certainty and affordability; make strategic and timely infrastructure investments.
- Take a proactive approach to meet changing needs of existing employers.
- Define / support the region’s competitive niches.
- Better forecasts of land supply / demand (without politically motivated assumptions). Assure that all sizes and categories of employment needs can be met.
- Plan for / re-zone areas in transition. Provide market responsive rule changes and incentives to promote redevelopment,
- Vest future development rights; “grandfather” multi-phase projects.
- Encourage diverse retail offerings as a critical component of community and neighborhood infrastructure.
- Support education and health service infrastructure, especially PSU, OHSU, higher education institutions, major hospital campuses, as these are important generators of future jobs.

Planning & Zoning Options

- Most participants prefer to “fix” the current system rather than replace it with a new – perhaps riskier – model. However, there is also some interest in learning more about alternative approaches.
- Suggested improvements to the current system.
 - ✓ Adopt clear and objective standards.
 - ✓ Provide more flexibility; less rigidity.
 - ✓ Streamline the review process; allow “a very fast thru lane” for some types of projects.
 - ✓ Retain variety within region – there is little desire for homogeneity.
 - ✓ Reduce cumbersome land division requirements.
- Performance zoning attracts the strongest reactions: no performance zoning! – OR – performance zoning may offer more flexibility.
- Urban form and design zoning is recognized as one feature of the Portland metro model, but there is no clear consensus as to whether this represents a realistic option as the major focus of planning for employment lands.
- Again, interest is expressed in finding out more about how the region’s planning and zoning model and development review process compare with other regions.

Phase 1 Research & Focus Group Documentation

More detailed research and focus group documents that have been completed for Phase 1 GMELS and are included with the full project notebook are as identified by the following listing. Noted are the name of the document and member of the consultant team serving as lead preparer:

- Employment & Development Megatrends Assessment (E.D. Hovee & Company)
- GMELS Land Use Case Studies Summary (Otak, Inc.)
- GMELS Summary of Case Study Research (Chart matrix by Otak, Inc.)
- Region 2040 Implementation Case Studies (Group Mackenzie)
- Industrial & Commercial Stakeholder Interview Results (E.D. Hovee & Company)
- Definitional Framework Alternatives for Employment Lands (E.D. Hovee & Company)
- Focus Group Preliminary Results (Barney & Worth, Inc.)
- GMELS Economic/Land Use “Definitional Framework” – A Preliminary Paradigm (GMELS Management Subcommittee and Consultant Team)

**GREATER METROPOLITAN EMPLOYMENT LAND STUDY (GMELS)
ECONOMIC/LAND USE "DEFINITIONAL FRAMEWORK"
AN EXPLORATORY MODEL**

JOINTLY PRESENTED BY:

GMELS MANAGEMENT SUBCOMMITTEE

*Beverly Bookin, CREEC, Project Manger
Elissa Gertler, Portland Development Commission
Mary Gibson, Port of Portland
Bob Lefeber, Retail Task Force
Lydia Neill, Metro
Rick Williams, CREEC
Dennis Yee, Metro*

GMELS CONSULTING TEAM

*Eric Hovee, E. D. Hovee & Company, Project Manager
Todd Chase, Otak
Mark Clemons, Group Mackenzie
Clark Worth, Barney & Worth*

**GMELS POLICY ADVISORY COMMITTEE (PAC) VERSION
JULY 16, 2004**

**GREATER METROPOLITAN EMPLOYMENT LAND STUDY (GMELS)
ECONOMIC/LAND USE "DEFINITIONAL FRAMEWORK"
AN EXPLORATORY MODEL**

Goal of GMELS Definitional Framework. The goal of this project is eventually to use regulatory tools to encourage the region's economic development, including the retention and creation of jobs. To do this, the GMELS Phase 1 stakeholders believe that the region needs to explore a model for the comprehensive planning and zoning of employment uses that reflects accurately how economic activities prefer to array themselves on the physical landscape. Currently, virtually all of the local jurisdictions within the six-county GMELS study area use the modern version of the "Euclidian" zoning system, which separates uses in various zones, although the move towards a more "mixed-use" approach has been gaining favor in recent years. If such zoning is too restrictive, "captive" users, i.e., those that serve a local market and/or are expanding in place, typically can work within the system, although smaller and/or more marginal local businesses may fail to flourish. However, "foot-loose" users, i.e., those that can locate anywhere, may not choose the Portland metropolitan area if the local zoning regulations and/or lack of suitable sites place what they perceive to be unnecessary obstacles to their location and growth requirements.

Summary of Interview Study and Focus Group Findings. As part of the GMELS Phase 1 study, the consulting team headed by E. D. Hovee & Company interviewed over 40 respondents involved in economic and real estate development and conducted six focus groups with another 75 participants to explore this issue. By and large, respondents preferred the fine-tuning of the employment sectors of the existing "use-based" zoning system rather than wholesale adoption of an alternative philosophy, e.g., "performance-based" or "design-based" zoning. This being said, the typical "use-based" zoning code also contains a substantial number of performance standards (e.g., related to traffic, noise, hours of operation) and design standards (e.g., density, setbacks, landscaping requirements); that is, once a new development meets the "use" test, it is generally subject to additional regulations that dictate its physical appearance and operation. Moreover, the Metro's 2040 Growth Concept, which governs the development policy in the three largest counties in the study area, contains 11 "design types"; these describe such desired characteristics as scale, mix of uses, building types, market area and/or population/job density targets. These design types have been incorporated in some fashion into the zoning codes of all 27 local jurisdictions within its boundary¹. Nevertheless, "use" remains the "first test" for entering into the land use system.

Terms of Confusion. Terminology has been one of the major problems encountered in Phase 1 because several terms have different meanings in their land use context than in they do in the real estate development/investment and property management context. Some of these words include:

"Employment": In its specific use, it refers to the types of land uses that fall between

¹Initially, the Metro system is used here as a point of departure. At some point, it may need to be re-cast to provide a model for non-Metro jurisdictions in Clark County and the rest of Oregon.

“industrial” and “commercial”, which is referred to in local jurisdictional zoning codes as “employment”, “light industrial”, “campus industrial” and “industrial park”. This also includes a design type on the 2040 Concept Map referred to as “Employment Areas”. In its more generic use, “employment” means all “jobs” including those occurring in other sectors of the economy. In this sense, “employment” is a potential stand-in or suitable replacement for “non-residential”.

“Retail”: In its specific use, “retail” refers to a sector of activities that involve the sale or trade of goods and services directly to consumers from a physical location, which is one sector of “commercial” that also includes “offices”. In its broader application, it refers to all consumer-direct economic activities as opposed to “wholesale”.

“Office”: This term is used as the other sector of “commercial”. In actuality, “office” is not a use but a building type in which a variety of activities can occur. These include the sale/provision of goods and services provided by government/administrative organizations, social services, professional services, FIRE activities and the like, at both the “retail level”; i.e., directly to consumers, and business-to-business, which broaches on the “wholesale level”. However, the use of the term as a part of the “commercial” sector has been complicated by the fact that many production, research/development, on-site storage and wholesale activities are now occurring in office settings, which heretofore have been undertaken in factories, tech/flex facilities and warehouses.

“Commercial”: This term is used both as a synonym for “retail” and as the super-category for “retail” and “office”, as historically distinct from “industrial”.

“Tech-Flex”: This is a term that further blurs the distinctions between “retail”/“wholesale” and “commercial/industrial” because the space can include any combination of administrative, research/development, information technology, production, assembly and testing functions. Like “office”, “tech-flex” is a building type rather than a use.

“Mixed-use”: There is some confusion about the contemporary use of this term whether it applies only when there is a mix of residential and non-residential uses, or whether it can also be applied to the mix of non-residential uses, e.g., retail/office activities, office/industrial activities. “Mixed-use” also refers to the mix of uses only on the same site, i.e., either vertically (in the same building) or horizontally (in different buildings). If the mix of non-residential uses is accepted as part of the definition of “mixed-use”, then many existing zoning districts are already mixed-use in character.

For the purposes of the GMELS exploratory “definitional framework” presented below, these terms have the following meanings:

“Employment” refers to all non-residential economic activities.

“Retail” is used primarily in its context of the retail (direct consumer)-to-wholesale (business-to-business) continuum, although it also may be used for the uses within the “employment” spectrum for the on-premises sales of goods and services directly to consumers.

“Office” is always referred to as “building type” and never as a “use”, the actual use is always

referred to as “an activity that occurs in an office setting”. Similarly, “tech/flex” is a building type not a use.

“Commercial” is not used because it is too vague.

“Mixed-use” refers to any combination of uses including residential/employment and employment/employment.

Hierarchy of Regulation

Design Types: There are 11 generic types of development within the Metro 2040 Growth Concept Plan, including Central City, Regional Centers, Town Centers, Corridors, Station Communities, Main Streets, Inner Neighborhoods, Outer Neighborhoods, Employment Areas, Industrial Areas and a new subset of Industrial Areas know as Regionally-Significant Industrial Areas (RSIAs). Each of these has different characteristics including scale, mix of uses, building types, market area and/or population/jobs density targets (Attachment 1).

Zoning Designations: Metro has identified 27 “standardized” regional zoning designations. Each local land use code within Metro’s jurisdiction includes variations of many but rarely all of these zoning designations.

Building Type: These are the buildings in which one or more activities occur, including but not limited to: “single-family attached/detached units”, “retail outlets”, “offices”, “tech-flex”, “warehouse” and “manufacturing plant”. Sometimes the “building type” and “use” are synonymous, e.g., “warehouse/distribution” uses generally occur in “warehouses” (Attachment 2).

Use: This is the primary activity or activities that occur within a building. Both the Standardized Industrial Classification (SIC) and its replacement, the North American Industrial Classification System (NAICS), apply to the primary use, with some exceptions.. NAICS now serves as the classification system for the reporting of employment data in North America², including at the national, state and local levels. As a classification system, NAICS is a more contemporary version of SIC including some industries, e.g., “information services”, which have emerged in recent years. Thus, one of the recommendations of the GMELS Phase 1 Study is that NAICS be as the foundation for projecting future regional employment needs.

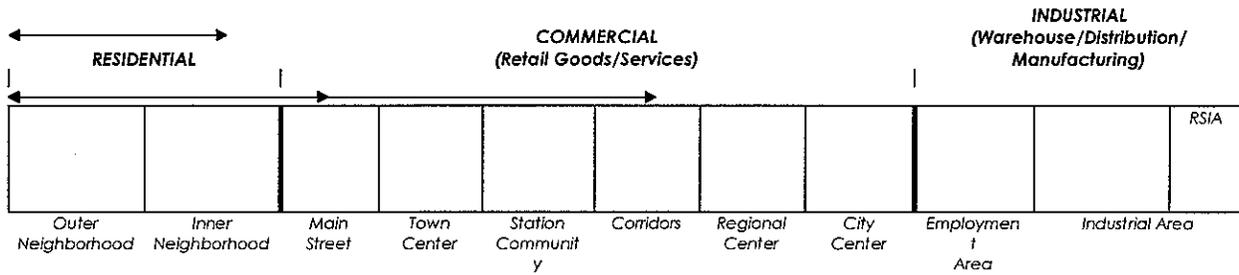
Existing Zoning Model. As illustrated in Figure 1, the prototypical zoning code model has the following characteristics:

- Creates three general categories of activity, “residential” (on a continuum of low- to high-density), “commercial” (retail/office on a continuum of scale and market) and “industrial” (on a continuum of light to heavy). In Figure 1, the Metro 2040 design types are assigned to these three broad categories, with Outer and Inner Neighborhoods assigned to “residential”; Employment Areas, Industrial Areas and RSIAs assigned to “industrial”; and the remaining six types to “commercial”. However, for areas outside of Metro’s jurisdiction, these could be

² NAICS is now also used extensively in Mexico and Canada.

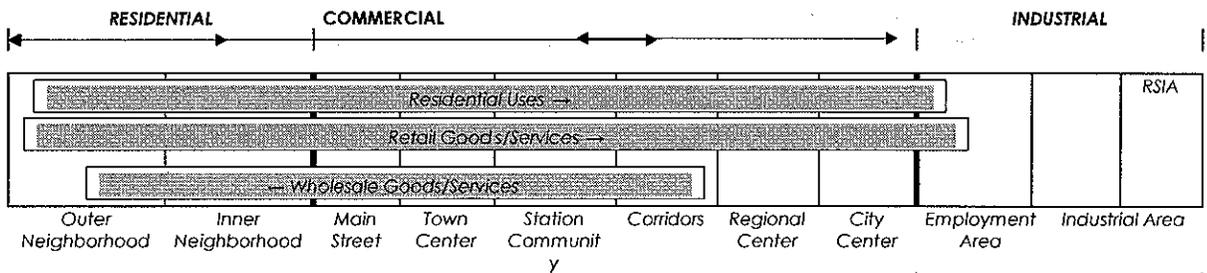
replaced with the zoning districts contained in the local community's zoning ordinance, e.g., neighborhood commercial, central business district, general industrial.

FIGURE 1: LAND USE ZONING IN THEORY



METRO'S 2040 REGIONAL GROWTH CONCEPT DESIGN TYPES

FIGURE 2: LAND USE ZONING IN PRACTICE



METRO'S 2040 REGIONAL GROWTH CONCEPT DESIGN TYPES

← → Title 4: What is industrial and what requires protection?

Blurred zoning boundaries.

- Uses the traditional Euclidian model of segregation of uses, in that few non-residential uses are permitted in residential zones; even low-impact wholesale-related activities are prohibited in many commercial zones; and housing is prohibited in industrial zones.
- Typically allows institutions, such as schools, colleges, medical centers and child care centers, as limited³ or conditional uses in residential zones; allowed by right in most commercial zones; and highly restricted or prohibited in industrial zones. Institutional uses are the hardest to plan for because the location of new facilities is difficult to predict.
- Establishes “commercial” zones as those in which allowed uses provide direct-customer (“retail”) goods and services whereas “industrial” zones involve “wholesale” goods and services, production, warehouse/distribution and regional infrastructure facilities with industrial characteristics. The latter include marine ports, airports, rail yards, power generating plants, water and sanitary sewer treatment plants and the like.

What’s Wrong With This Picture? As both public policy and the market are encouraging more mixed-use development, a breakdown in the traditional Euclidian model is already occurring. (See Figure 2)

- The edges between “residential/commercial” and “commercial/industrial” are increasingly blurred. On the residential side, the blurring is occurring in general because the 2040 Growth Concept encourages a greater mix of residential and employment uses to create “complete communities”, use of multiple transportation modes, and reduction of the number and length of trips. This means that a broader range of non-residential uses are being allowed in medium- and high-density residential districts and housing is being encouraged in traditionally “commercial” and some “light industrial” zones.
- On the other side of the continuum, “centers” and “employment” areas, have a mix of uses including retail stores, offices, production, research/development, storage and institutional uses, thus, blurring the line between “retail” and “wholesale” activities, as well as between “non-traded-sector” and “traded-sector” activities.
- This blurring on the “commercial/industrial” side of the zoning continuum was evident in the recent adoption of the modified Title 4 regulations, Employment and Industrial Areas, of the Metro 2040 Functional Plan to create Regionally-Significant Industrial Areas (RSIAs). The purpose of the regulations was to identify industrial areas of particular importance to the regional economy, defined as adjacent to regional transportation facilities (Portland harbor, Portland International Airport, regional rail lines and freeways) that require protection from competition from non-industrial uses. Large sites and unimpeded access to these transportation facilities is critical to these industries’ ability to trade regionally, nationally and internationally. In the proposed Title 4 revisions, protection of RSIAs is to be accomplished by 1) limiting the size of “retail” commercial/office uses and 2) requiring non-industrial uses to prove that their traffic generation will not impair freight mobility and load capacity. Although RSIAs are meant to be a more restrictive subset of “Industrial”, there is very little difference between the two categories in the adopted in effect, pulling Industrial Areas

³Allowed by right subject to special “clear and objective standards” such as maximum size.

toward the more restrictive end of the continuum.

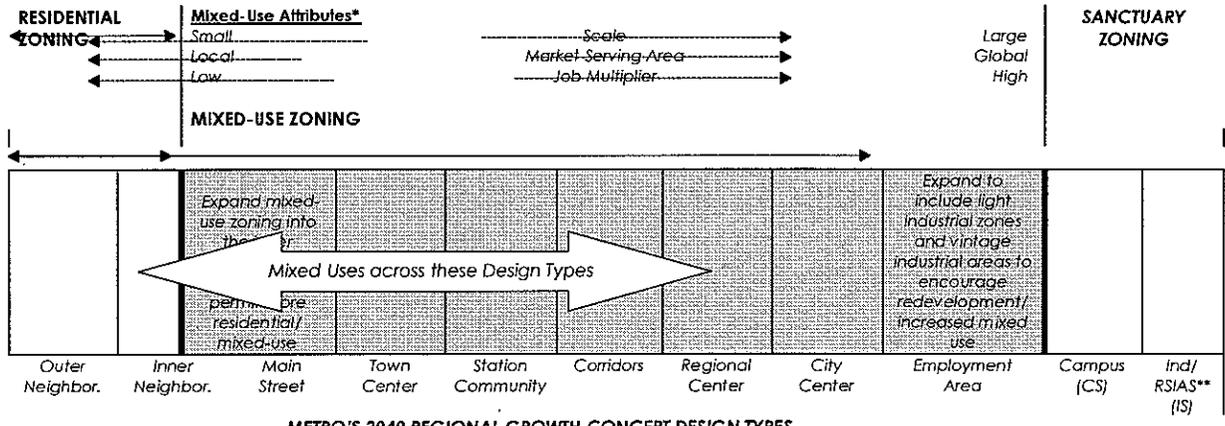
- The most important issue in the Title 4 discussion was the definition of “industrial” in the modern economy. This is where the definition of “office”, which is generally applied to “commercial” activities, has become inadequate because many research/development, prototypical manufacturing and production activities, particularly in the bio-tech, high-tech and information services sectors, now occur in office formats (“office” as a building type rather than as a use). Moreover, individual companies as owners or lessees of building space may also change the internal functions or uses of their space from time to time in response to changing market conditions and corporate priorities. Thus, the definition of “industrial” remains a serious problem at the regional and state levels, where the Department of Land Conservation and Development (DCLD) is grappling with the issue in the Governor’s Shovel-Ready Industrial Land Task Force, Industrial Conversion Study Committee and Economic Development Planning Advisory Committee.
- When the concept of “mixed-use” is expanded to include any combination of residential or employment uses, most zones are “mixed-use”, i.e., they allow a range of uses that can be accommodated in the same building (vertical) or on same site (horizontal). Both in concept and application, there are only two “pure” zones, those at the far end of the zoning continuum, i.e., low-density residential and general/heavy industrial. This is not to say that there are not other uses allowed in these zones, e.g., schools and home occupations in residential zones and restaurants in industrial zones, respectively. But these are subordinate uses, that is, they are either “limited” or “conditional” uses.
- The current zoning system does little to recognize the needs of large institutional users, e.g., medical centers, college campuses and regional prisons. These uses require large tracts of land near regional transportation facilities. Although non-traded sector activities, these institutions are large, recession-proof employers with a high proportion of family-wage jobs.
- There also is a failure to anticipate the needs of “foot-loose” companies, such as the next Boeing corporate headquarters or Intel, that have a very refined list of siting criteria and could locate anywhere in the country. If the Portland metropolitan area is to be competitive for these valuable traded-sector employers, some consideration might be given to granting them more flexibility in their siting than might be accorded local “captive” companies.

A New Definitional Framework: An Exploratory Model. An exploratory model for a new “definitional framework” is presented in Figure 3. In summary, the model is still a “use-based” model easing Euclidian zoning restrictions in most zones, that is, allowing a wider range of uses as long as they can meet specified performance (“how it functions”) and design (“how it looks”) standards.

- The model recognizes that most zones are already mixed-use to some degree. Thus, the line between “residential” and “commercial” is moved from its current location back to between Outer and Inner Neighborhoods on the left side of the zoning continuum; this leaves Outer Neighborhoods primarily residential where only a small number of institutions and small-scale employment uses are limited or conditional uses. On the right side of the continuum, the line between “commercial” and “industrial” is moved into a portion of the “Industrial

Area” design type to the “edge” of a newly-created “Sanctuary”, thus, allowing multiple employment and even residential in areas traditionally zoned for industrial development.

**FIGURE 3: ECONOMIC/LAND USE DEFINITIONAL FRAMEWORK
EXPLORATORY FRAMEWORK**



Allowed broader range of uses than typically permitted. Scale, design and external impacts to be regulated by:

- Performance Standards
- Design and Development Standards
- Region 2040 Design Type (if applicable)

Transition zoning designations

Adjust zoning regulations to allow and permit more mixed-use commercial and residential uses and to increase employment flexibility for a broader range of uses within the shaded area.

*These attributes flow into Industrial Sanctuary as well but not necessarily Campus Industrial.
 ** RSIA stands for Regionally Significant Industrial Areas. The sanctuary designation is intended to provide capacity to accommodate regional facilities and industrial uses that have specific land needs or require physical separation due to externalities.

- Two types of “Sanctuary” are proposed: 1) Industrial Sanctuary (IS); and 2) Campus Sanctuary (CS).
- IS is a subset of existing and future Industrial/RSIA Area design types devoted primarily to heavy manufacturing, major transportation/other infrastructure and warehouse/distribution, which have special location and site characteristics that require they be isolated and protected from non-industrial uses; many of these industries are also “traded-sector” activities, which have a significant job-multiplier impact. These special characteristics include the need for large sites, less expensive land, and regional transportation access. These uses also have negative “externalities” such as heavy truck traffic, outside storage, hazardous materials and noise that make them incompatible neighbors to other uses (Attachment 3). These apply to already-established industrial areas adjacent to the regional transportation facilities that retain their vitality and could also be applied to new industrial areas adjacent to regional transportation facilities where traditional manufacturing, industrial service and warehouse/distribution uses are to be developed. The City of Portland’s Industrial Sanctuary regulations, which govern its IG1, IG2 and IH zones, is one approach to regulating development in these areas. However, the IS designation is not appropriate for antiquated (or “vintage”) industrial sites, where industrial redevelopment is no longer economically viable or desirable. These should be re-classified to allow a broader mix of uses, which might “jump-start” redevelopment and insure more efficient re-use of the land.
- CS provides a placeholder for “regionally-significant non-industrial facilities” that have large site requirements and significant traffic generation. Examples include public and private medical centers, colleges, high schools, convention centers, stadiums and prisons that do not require an IS location. CS is described as a “placeholder” because it is difficult to predict the future locations of these facilities, although it is important to forecast accurately the regional land requirements. This is also not to say that CS uses cannot locate in other non-industrial employment areas, although this is sometimes difficult due to the lack of large sites and/or regional transportation access. If not accounted for, CS uses may compete with industrial users for large sites. The CS category could also include “foot-loose” traded-sector activities, such as large high-tech campuses and headquarter offices, which might not come to the Portland metropolitan region if not provided with the broadest possible site selection. Including the latter may be controversial given Metro’s “Centers” policy.
- Employment and vintage Industrial Areas not requiring Sanctuary protection would move into the broad new category, which for the purposes of the preliminary model is called Mixed-Use (MU). To this broad category are assigned the following 2040 design types generally in order of increasing intensity: Inner Neighborhoods, Main Streets, Town Centers, Station Communities, Corridors, Regional Centers, City Center, Employment Areas and vintage Industrial Areas not included in the CS/IS designations. Generally, these vary along the following continua, from left to right⁴:
 - Customer (from “retail” to “wholesale”)
 - Market Area (from “local” to “global”)

⁴ These characteristics generally continue into IS but not necessarily into the CS categories.

- Job Multiplier Effect (from “low” to “high”, a function of moving from “non-traded-sector” to “traded-sector” industries)

In addition, there are two characteristics – density and land value – that trend in a “bell-shaped” curve, less intense in the lower intensity zones, peaking in the City Center, and declining again towards the right side of the continuum (extending into IS).

- The model also assumes the replacement of the traditional Standard Industrial Classification (SIC) System with the North American Industrial Classification System (NAICS), as this better reflects the modern economy and is in broad use elsewhere in North America. Ideally, the goal would be to use certain NAICS categories (Attachment 4) in IS, thus, defining “industrial”. These categories could include Wholesale Trade (42), Transportation/Warehousing (48-49); Mining (21); Utilities (22); Manufacturing (31-33); Heavy Construction (234); Waste Management and Remedial Services (562); and possibly some aspects of Agriculture (11) such as nurseries. However like the SIC system it replaces, the NAICS system is not perfect, i.e., there are sub-categories within the above categories that do not need the protections and/or do not have the negative externalities requiring IS protection and, conversely, there are sub-categories of non-IS categories that may.
- The major unresolved issue is the appropriate siting of traditional “industrial uses” – production, research/development, industrial services, wholesale activities – that can now be accommodated in office formats; the latter is typical of many high-tech, bio-tech and information/telecommunications services. Should these be allowed only as accessory uses to more “traditional” industrial activities or as stand-alone facilities in IS-designated areas? There are two points of view in this matter.
 - One is typified by the City of Portland, where much of the region’s historical heavy industrial, transportation-dependent companies are located. As reflected in its Industrial Sanctuary regulations, free-standing offices are severely limited as these are seen as using up valuable industrial land that is not easily replaced; driving up property values and reducing freight movement capacity.
 - The other is typified by the City of Hillsboro, which allows such office industrial uses by right, either in combination with traditional fabrication plants or as “stand-alones”, on the grounds that most of modern industrial activities are now office-based and/or located in “tech/flex” buildings.

Thus, the definition of “industrial” still remains to be clarified, possibly in the next phase of GMELS.

- Assigning NAICS codes to the design types in MU probably is not practical or necessary. Rather, a broad range of uses can be allowed in all of the zones in this category, with the specific uses regulated by performance standards, design/development standards and, where applicable, design type. This does not necessarily mean the same breadth of residential and employment uses in all zones. For example, in zones/design types at the lower end of the continuum, the range of allowed uses could be more limited than in Regional Centers or Employment Areas, but still broader than typically permitted in a Main Street (neighborhood

commercial) or Corridor (community commercial) today. By the same token, the range of residential and non-residential uses in higher-intensity areas could be as broad as possible, without the artificial distinctions now made between retail/wholesale or commercial/industrial activities.

Advantages of the Exploratory Model. There are several advantages of the exploratory economic/land use definitional framework:

- Reflects both public policy as contained in the Metro 2040 Growth Concept, which encourages the mixing of uses to create “centers” and “whole communities”, and the characteristics of the modern economy, where the boundaries among the traditional employment sectors are becoming increasingly blurred.
- “Unlocks” the potential of a restricted land supply in the vast majority of zoning districts/2040 design types by allowing uses to seek appropriate locations without imposition of artificial use distinctions, which in turn:
 - Reduces regulatory hurdles;
 - Increases the efficiency of land use, especially at redevelopment sites; and
 - Slows the need to expand the regional UGB.
- At the same time, protects established neighborhoods and viable industrial areas from incursions of incompatible uses.
- Explicitly acknowledges the role of “regionally-significant non-industrial facilities”, which, like some industrial users, have unique site and access requirements. Although typically “non-traded-sector” uses, these facilities provide vital community services and are a major source of stable employment. Unless the regional land requirements of this sector are considered, these uses will continue to compete for large sites that have been set aside for industrial development/expansion.
- Requires only moderate modification of the existing land use regulatory system, that is, retains a “use-based” zoning system but makes it more responsive to market demand, while still ensuring compatibility through the imposition of design/development and performance standards. Thus, the proposed model is “evolutionary” rather than “revolutionary”. Moreover, because the model does not require radical change, local jurisdictions would have the option whether or not to implement the new model. However, if the model does in fact facilitate economic development by removing some regulatory barriers, jurisdictions that do adopt this approach may be at a competitive advantage over those jurisdictions that do not.

Major Policy Considerations. As the exploratory model is evaluated, there are four major policy considerations that should be addressed:

- Because Metro governs a majority of the land in the six-county metropolitan region, the model incorporates the Metro 2040 Growth Concept policies and design types. To be feasible, the model has to have the flexibility to be applied outside of the Metro’s jurisdiction, including Clark County, which is governed by the Washington Growth

Management Act (GMA), and the rest of Oregon. This could be accomplished by replacing the 2040 design types along the bottom of Figure 3 with the local jurisdiction's zoning districts. On behalf of the State of Oregon, the Department of Land Conservation and Development (DCLD) may want to evaluate the implications of the GMELS Phase 1 study and determine its potential for broader statewide application.

- Even if the model has broad support by public and private stakeholders, it is still “theoretical”. To be implemented” at the regional level, Metro must be able to apply it methodologically to its economic modeling, e.g., track and forecast jobs by NAICS classification, and the employment land demand/supply analysis, switching from the traditional “retail”, “office”, “government” and “employment/industrial” categories to the new “Mixed-Use” and “Sanctuary” categories. Moreover, if Metro chooses to redefine the categories in the “employment” sector to reflect this new model, will this trigger the need to modify Oregon state statutes and administrative rules governing the need analyses for urban growth boundary (UGB) expansions or require a special exemption?
- In addition to its applicability at the regional level is the issue of the model's local implementation. If broadly endorsed, the issue of its practical application remains to be determined. Within Metro's jurisdiction, for example, this raises the issue of whether adoption of its provisions in the local zoning codes of its 27 constituent jurisdictions should be regionally mandated or voluntary. This is also an important policy question for Clark County and its constituent local jurisdictions. At this point, the model is presented as a point of departure for further discussion only, with Metro providing a convenient forum.
- The proposed model also raises a significant policy issue as there is a regional policy to encourage mixed uses, including activities in office formats, into “centers”. Some regional advocates want to encourage the location/relocation of activities in office settings to centers by discouraging them from the other locations, including “employment” areas such as business parks and industrial campuses. Other advocates suggest that users need the greatest flexibility possible to develop where they desire based on such considerations as location, scale, land/occupancy costs, building format, parking/mass transit availability, adjacency requirements to like/support uses (known as “clusters”), and to develop incentives so that these users “choose” centers over other areas. The proposed model technically supports the second approach by easing use restrictions. This does not preclude the need for a major policy discussion related to this issue. A possible compromise, though not without its own pitfalls, is to encourage the second approach primarily for “foot-loose” traded-sector activities and large regional facilities, but strongly encouraging other activities in office settings to locate in centers.

ATTACHMENT 1
DEFINITION OF 2040 DESIGN TYPES AND ASSIGNED⁵

Central City: Downtown Portland is the Central City that serves as the major employment, governmental and cultural center for the metropolitan area. Density target: 250 persons/acre.

Regional Centers: Nine regional centers, e.g., Gateway, Hillsboro, Gresham, to become the focus of compact development/redevelopment, high-quality transit service and multi-modal street networks. Density target: 60 persons/acre.

Station Communities: Nodes of development within a ½ mile radius of light rail or high-capacity transit stations that feature a mix of uses and high-quality pedestrian environment. Density target: 45 persons/acre.

Town Centers: XX nodes of development characterized by compact development and transit service that provide retail goods and services within a “district” market area. Density target: 40 persons/acre.

Main Streets: Traditional neighborhood centers concentrated on “main streets” and served by transit that provide retail goods and services within a local or neighborhood market area. Density target: 39 persons/acre.

Corridors: Linear development along major transit lines characterized by a high-quality pedestrian environment, transit access and increased densities through redevelopment. Density target: 25 persons/acre.

Employment Areas: Areas accommodating various types of non-retail employment and some residential development with limited commercial uses. Density target: 20 persons/acre.

Industrial Areas: Areas set aside primarily for general and heavy industrial activities with limited supporting retail and service uses. Density target: 9 employees/acre.

Regionally-Significant Industrial Areas (RSIA): A subset of Industrial Areas with a need for access to regional freeway, marine, rail and air transportation facilities because they serve regional, national and global markets. This designation was created and mapped in 2004 as part of the update of Title 4, Employment and Industrial Areas. Density target: 9 employees/acre.

Inner Neighborhoods: Moderate- to high-density residential areas that are accessible to jobs and neighborhood businesses by alternative modes of transportation. Density target: 14 persons/acre.

Outer Neighborhoods: Low- to moderate-density residential areas that are farther away from

⁵ From the Metro 2040 Growth Management Functional Plan (11/21/96)

retail, office and employment centers with fewer opportunities for use of alternative modes of transportation. Density target: 13 persons/acre.

ATTACHMENT 2
PRELIMINARY LIST OF BUILDING TYPES

Residential:

Single-Family Detached Dwelling Unit

Single-Family Attached Dwelling Unit

Multi-Family Dwelling Units

Residential Mixed-Use (residential predominant use with neighborhood-scale goods/services)

Retail/Office:

Storefront Retail/Office

Freestanding Retail Outlets

Combined Retail/Office Strip Centers

Shopping Centers (various scales/market areas)

Large-Format Retail (also known as "big box" retail)

Retail Mixed-Use (ground-floor retail with above-grade office or residential)

Freestanding Office (of various scales, including building size, structured/surface parking)

Tech-Flex (allowing mix of office, production, research and storage activities)

Business Park/Office Campus

Industrial:

Production Facility/Factory

Warehouse

Tank Farm

Treatment Plant/Utility Generating Plant

ATTACHMENT 3
CHARACTERISTICS OF USES IN INDUSTRIAL SANCTUARIES (IS)

Environmental:

Odor

Noise

Water/Air Discharges

Health/Safety

Visual

Site Characteristics:

Large sites

Outdoor bulk materials/vehicle storage

Surface employee/visitor parking

Infrastructure (size, capacity, requirements)

Water

Sanitary and Storm Water Disposal

Fiber Optics/Specialized Communication

Power (electrical, gases)

Trip Generation

Truck Traffic

Freight-movement Capacity

Multi-Modal Access

Freeway

Rail

Marine

Air

ATTACHMENT 4
NORTH AMERICAN INDUSTRIAL CLASSIFICATION SYSTEM (NAICS)
1- AND 2-DIGIT CLASSIFICATION

Code Title/Description

1-Digit

11	Agriculture, Forestry, Fishing and Hunting
21	Mining
22	Utilities
23	Construction
31-33	Manufacturing
42	Wholesale Trade
44-45	Retail Trade
48-49	Transportation and Warehousing
51	Information
52	Finance and Insurance
53	Real Estate and Rental/Leasing
54	Professional, Scientific and Technical Services
55	Management of Companies and Enterprises
56	Administration and Support and Waste Management/Remediation Services
61	Education Services
62	Health Care and Social Assistance
71	Arts, Entertainment and Recreation
72	Accommodation and Food Services
81	Other Services (except Public Administration)
92	Public Administration

2-Digit

11 Agriculture, Forestry, Fishing and Hunting

- 111 Crop Production
- 112 Animal Production
- 113 Forestry and Logging
- 114 Fishing, Hunting and Trapping
- 115 Support Activities for Agriculture and Forestry

21 Mining

- 211 Oil and Gas Extraction
- 212 Mining (except Oil and Gas)
- 213 Support Activities for Mining

22 Utilities

- 221 Utilities

23 Construction

- 233 Building, Developing and General Contracting
- 234 Heavy Construction
- 235 Special Trade Contractors

31-33 Manufacturing

- 311 Food Manufacturing
- 312 Beverage and Tobacco Product Manufacturing
- 313 Textile Mills
- 314 Textile Product Mills
- 315 Apparel Manufacturing
- 316 Leather and Allied Product Manufacturing
- 321 Wood Product Manufacturing
- 322 Paper Manufacturing
- 323 Printing and Related Support Activities
- 324 Petroleum and Coal Products Manufacturing
- 325 Chemical Manufacturing
- 326 Plastics and Rubber Products Manufacturing
- 327 Nonmetallic Mineral Product Manufacturing
- 331 Primary Metal Manufacturing
- 332 Fabricated Metal Product Manufacturing
- 333 Machinery Manufacturing
- 334 Computer and Electronic Product Manufacturing

- 335 Electrical Equipment, Appliance and Component Manufacturing
- 336 Transportation Equipment Manufacturing
- 337 Furniture and Related Product Manufacturing
- 339 Miscellaneous Manufacturing

42 Wholesale Trade

- 421 Wholesale Trade, Durable Goods
- 422 Wholesale Trade, Nondurable Goods

44-45 Retail Trade

- 441 Motor Vehicle and Parts Dealers
- 442 Furniture and Home Furnishings Stores
- 443 Electronics and Appliance Stores
- 444 Building Material and Garden Equipment and Supplies Dealers
- 445 Food and Beverage Stores
- 446 Health and Personal Care Stores
- 447 Gasoline Stations
- 448 Clothing and Clothing Accessories Stores
- 451 Sporting Goods, Hobby, Book and Music Stores
- 452 General Merchandizing Stores
- 453 Miscellaneous Store Retailers
- 454 Non-store Retailers

48-49 Transportation and Warehousing

- 481 Air Transportation
- 482 Rail Transportation
- 483 Water Transportation
- 485 Transit and Ground Passenger Transportation
- 486 Pipeline Transportation
- 487 Scenic and Sightseeing Transportation
- 488 Support Activities for Transportation
- 492 Couriers and Messengers
- 493 Warehousing and Storage

51 Information

- 511 Publishing Industries
- 512 Motion Picture and Sound Recording Industries
- 513 Broadcasting and Telecommunications
- 514 Information Services and Data Processing Services

52 Finance and Insurance

- 521 Monetary Authorities, Central Bank
- 522 Credit Intermediation and Related Activities
- 523 Securities, Commodity Contracts, and Other Financial Investments
- 524 Insurance, Carriers and Related Activities
- 525 Funds, Trusts and Other Financial Vehicles

- 53 Real Estate and Rental/Leasing**
- 531 Real Estate
- 532 Rental and Leasing Services
- 533 Lessors of Non-Financial Intangible Assets (except Copyrighting)

- 54 Professional, Scientific and Technical Services**
- 541 Professional, Scientific and Technical Services

- 55 Management of Companies and Enterprises**
- 551 Management of Companies and Enterprises

- 56 Administration and Support and Waste Management/Remediation Services**
- 561 Administrative and Support Services
- 562 Waste Management and Remediation Services

- 61 Education Services**
- 611 Educational Services

- 62 Health Care and Social Assistance**
- 621 Ambulatory Health Care Services
- 622 Hospitals
- 623 Nursing and Residential Care Facilities
- 624 Social Assistance

- 71 Arts, Entertainment and Recreation**
- 711 Performing Arts, Spectator Sports and Related Industries
- 712 Museums, Historical Sites and Similar Institutions
- 713 Amusement, Gambling and Recreation Industries

- 72 Accommodation and Food Services**
- 721 Accommodations
- 722 Food Services and Drinking Places

- 81 Other Services (except Public Administration)**
- 811 Repair and Maintenance
- 812 Personal and Laundry Services
- 813 Religious, Grant-Making, Civic, Professional and Related
- 814 Private Households

- 92 Public Administration**
- 921 Executive, Legislative and Other General Governmental Support Activities
- 922 Justice, Public Order and Safety Activities
- 923 Administration of Human Resource Programs
- 924 Administration of Environmental Quality Programs
- 925 Administration of Housing Programs, Urban Planning and Related
- 926 Administration of Economic Programs
- 927 Space Research and Technology

GREATER METROPOLITAN EMPLOYMENT LANDS STUDY (GMELS)
PHASE 1 RECOMMENDED NEXT STEPS
PAC DRAFT (7/16/04)

The GMELS Policy Advisory Committee (PAC) makes the following recommendations for subsequent work on the GMELS project beyond Phase 1:

- 1) Using Metro as a platform, facilitate a dialogue among Metro, its 27 jurisdictions, Clark County/Vancouver and the Department of Land Conservation and Development (DCLD) of the exploratory version of the Economic/Land Use Definitional Model to test the technical soundness, efficacy and potential political acceptability.
- 2) Direct the GMELS Management Committee to develop a work scope and budget for Phase 2, Forecast of Employment Land Supply and Demand, using the exploratory model as a point of departure, based on the Phase 2 scope for the Regional Industrial Lands Study (RILS), including the following tasks:
 - Continue to refine the definition of the “industrial” sector to accurately describe what uses by NAICS code or other convention constitute industrial activities to be included by right in the Industrial Sanctuary (IS) category.
 - Analyze of the capability of Metro’s economic/land use modeling to accommodate the base assumptions of the exploratory model. This includes articulating the transition that will need to occur between the data review/modeling steps and actually conducting the forecast. This may trigger the need for a substantial review process to ensure that key public and private stakeholders are comfortable with the approach before proceeding with the more detailed quantitative analysis.
 - Identify the data requirements of determining the land/facility requirements of various non-industrial employment sectors using NAICS classifications, including but not limited to scale, range of site sizes, building format, maximum FAR, land/occupancy costs, building format, adjacencies to like/support uses and proportion of mixed uses. Develop a methodology for gathering the necessary information. This is similar to the analysis undertaken for industrial uses in RILS. Develop the set of assumptions to be used for projecting 20-year demand for non-industrial sectors. Review and update similar assumptions developed for the industrial sector in the RILS study.
 - Undertake a 20-year projection of employment demand by employment sector, translating this into gross and net acreage.
 - Develop a methodology for analyzing the land supply, incorporating characteristics and assumptions of the exploratory model related to Mixed-Use, Campus Sanctuary and Industrial Sanctuary. Prepare land supply analysis.
 - Develop findings related to regional employment demand/supply analyses.
- 3) Make the analysis and findings of GMELS Phase 1, including its supporting documents, widely available to local, regional and state agencies and private stakeholders to inform work

on related development issues, e.g., Metro's Centers Policy, DCLD Goal 9/14 updates.

GOVERNMENTS MUST PAY OWNERS, OR FORGO ENFORCEMENT, WHEN CERTAIN LAND USE RESTRICTIONS REDUCE PROPERTY VALUE

RESULT OF "YES" VOTE: "Yes" vote requires that governments pay owners, or forgo enforcement by repealing, changing, not applying restrictions, when certain land use restrictions reduce owners' property value.

RESULT OF "NO" VOTE: "No" vote rejects requiring that governments pay owners or forgo enforcement by repealing, changing, not applying restrictions, when certain land use restrictions reduce property value.

SUMMARY: Currently, Oregon Constitution requires government(s) to pay owner "just compensation" when condemning private property or taking it by other action, including laws precluding all substantial beneficial or economically viable use. Measure enacts statute requiring that when state, city, county, metropolitan service district enacts or enforces land use regulation that restricts use of private real property or interest thereon, government must pay owner reduction in fair market value of affected property interest, or forgo enforcement. Governments may repeal, change, or not apply restrictions in lieu of payment; if compensation not timely paid, owner not subject to restrictions. Applies to restrictions enacted after "family member" (defined) acquired property. Creates civil right of action including attorney fees. Provides no new revenue source for payments. Certain exceptions. Other provisions.

The following provisions are added to and made a part of ORS chapter 197:

- (1) If a public entity enacts or enforces a new land use regulation or enforces a land use regulation enacted prior to the effective date of this amendment that restricts the use of private real property or any interest therein and has the effect of reducing the fair market value of the property, or any interest therein, then the owner of the property shall be paid just compensation.
- (2) Just compensation shall be equal to the reduction in the fair market value of the affected property interest resulting from enactment or enforcement of the land use regulation as of the date the owner makes written demand for compensation under this act.
- (3) Subsection (1) of this act shall not apply to land use regulations:
 - (A) Restricting or prohibiting activities commonly and historically recognized as public nuisances under common law. This subsection shall be construed narrowly in favor of a finding of compensation under this act;
 - (B) Restricting or prohibiting activities for the protection of public health and safety, such as fire and building codes, health and sanitation regulations, solid or hazardous waste regulations, and pollution control regulations;
 - (C) To the extent the land use regulation is required to comply with federal law;
 - (D) Restricting or prohibiting the use of a property for the purpose of selling pornography or performing nude dancing. Nothing in this subsection, however, is intended to affect or alter rights provided by the Oregon or United States Constitutions; or
 - (E) Enacted prior to the date of acquisition of the property by the owner or a family member of the owner who owned the subject property prior to acquisition or inheritance by the owner, whichever occurred first.
- (4) Just compensation under subsection (1) of this act shall be due the owner of the property if the land use regulation continues to be enforced against the property 180 days after the owner of the property makes written demand for compensation under this section to the public entity enacting or enforcing the land use regulation.
- (5) For claims arising from land use regulations enacted prior to the effective date of this act, written demand for compensation under subsection (4) shall be made within two years of the effective date of this act, or the date the public entity applies the land use regulation as an approval criteria to an application submitted by the owner of the property, whichever is later. For claims arising from land use regulations enacted after the effective date of this act, written demand for compensation under subsection (4) shall be made within two years of the enactment of the land use regulation, or the date the owner of the property submits a land use application in which the land use regulation is an approval criteria, whichever is later.
- (6) If a land use regulation continues to apply to the subject property more than 180 days after the present owner of the property has made written demand for compensation under this act, the present owner of the property, or any interest therein, shall have a cause of action for compensation under this act in the circuit court in which the real property is located, and the present owner of the real property shall be entitled to reasonable attorney fees, expenses, costs, and other disbursements reasonably incurred to collect the compensation.
- (7) A metropolitan service district, city, or county, or state agency may adopt or apply procedures for the processing of claims under this act, but in no event shall these procedures act as a prerequisite to the filing of a compensation claim under subsection (6) of this act, nor shall the failure of an owner of property to file an application for a land use permit with the local government serve as grounds for dismissal, abatement, or delay of a compensation claim under subsection (6) of this act.
- (8) Notwithstanding any other state statute or the availability of funds under subsection (10) of this act, in lieu of payment of just compensation under this act, the governing body responsible for enacting the land use regulation may modify, remove, or not to apply the land use regulation or land use regulations to allow the owner to use the property for a use permitted at the time the owner acquired the property.
- (9) A decision by a governing body under this act shall not be considered a land use decision as defined in ORS 197.015(10).
- (10) Claims made under this section shall be paid from funds, if any, specifically allocated by the legislature, city, county, or metropolitan service district for payment of claims under this act. Notwithstanding the availability of funds under this subsection, a metropolitan service district, city, county, or state agency shall have discretion to use available funds to pay claims or to modify, remove, or not apply a land use regulation or land use regulations pursuant to subsection (6) of this act. If a claim has not been paid within two years from the date on which it accrues, the owner shall be allowed to use the property as permitted at the time the owner acquired the property.
- (11) Definitions - for purposes of this section:
 - (A) "Family member" shall include the wife, husband, son, daughter, mother, father, brother, brother-in-law, sister, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, aunt, uncle, niece, nephew, stepparent, stepchild, grandparent, or grandchild of the owner of the property, an estate of any of the foregoing family members, or a legal entity owned by any one or combination of these family members or the owner of the property.
 - (B) "Land use regulation" shall include:
 - (i) Any statute regulating the use of land or any interest therein;
 - (ii) Administrative rules and goals of the Land Conservation and Development Commission;
 - (iii) Local government comprehensive plans, zoning ordinances, land division ordinances, and transportation ordinances;
 - (iv) Metropolitan service district regional framework plans, functional plans, planning goals and objectives; and
 - (v) Statutes and administrative rules regulating farming and forest practices.
 - (C) "Owner" is the present owner of the property, or any interest therein.
 - (D) "Public entity" shall include the state, a metropolitan service district, a city, or a county.
- (12) The remedy created by this act is in addition to any other remedy under the Oregon or United States Constitutions, and is not intended to modify or replace any other remedy.
- (13) If any portion or portions of this act are declared invalid by a court of competent jurisdiction, the remaining portions of this act shall remain in full force and effect.

Eugene Prete
69145 Damsel Fly Court
Sisters, OR 97759
(541) 579-0700

CHIEF PETITIONERS:
Barbara Prete
69145 Damsel Fly Court
Sisters, OR 97759
(541) 549-0700

Dorothy English
13100 NW McNamee Road
Portland, OR 97283
(503) 286-5671

INSTRUCTIONS FOR CIRCULATORS

Only active registered voters of the state of Oregon may sign a petition.
All signers on any one signature sheet must be active registered voters of the same county.
It is advisable to have signers use a pen for signing petitions or for certifying petitions.
Only one circulator may collect signatures on any one sheet of a petition.
Each circulator must personally witness all signatures the circulator collects.
Circulators shall not cause to be circulated a petition knowing it to contain a false signature.
Circulators shall not knowingly make any false statement to any person who signs it or requests information about it.
Circulators shall not attempt to obtain the signature of a person knowing that the person signing the petition is not qualified to sign it.
Circulators shall not offer money or any thing of value to another person to sign or not sign a petition.
Circulators shall not sell or offer to sell signature sheets.
Circulators shall not accept compensation to circulate a petition that is based on the number of signatures obtained.
Warning: Violations of the circulator requirements may result in conviction of a felony with a fine of up to \$100,000 and/or prison for up to five years.

INSTRUCTIONS FOR SIGNERS

Only active registered voters of the state of Oregon may sign a petition. Sign your full name, as you did when you registered to vote. Please fill in the date on which you signed the petition, your printed name and your residence address in the spaces provided. It is advisable to use a pen for signing petitions.
It is unlawful to sign any person's name other than your own. Do not sign another person's name under any circumstances.
It is unlawful to sign a petition more than once.
It is unlawful for a person to knowingly sign a petition when the person is not qualified to sign it.