



METRO POLICY ADVISORY COMMITTEE (MPAC)

Meeting Minutes

June 24, 2015

Metro Regional Center, Council Chamber

MEMBERS PRESENT

Ruth Adkins
Sam Chase
Tim Clark, *1st Vice Chair*
Carlotta Collette
Andy Duyck
Maxine Fitzpatrick
Mark Gamba
Jeff Gudman
Dick Jones
Marilyn McWilliams
Craig Prosser
Martha Schrader, *2nd Vice Chair*
Bob Stacey
Jerry Willey

AFFILIATION

Portland Public Schools, Governing Body of School Districts
Metro Council
City of Wood Village, Multnomah Co. Other Cities
Metro Council
Washington County
Multnomah County Citizen
City of Milwaukie, Clackamas Co. Other Cities
City of Lake Oswego, Clackamas Co. Largest City
Oak Lodge Water District, Clackamas Co. Special Districts
Tualatin Valley Water District, Washington Co. Special Districts
TriMet Board of Directors
Clackamas County
Metro Council
City of Hillsboro, Washington Co. Largest City

MEMBERS EXCUSED

Carrie MacLaren
Peter Truax, *Chair*

AFFILIATION

Department of Land Conservation and Development
City of Forest Grove, Washington Co. Other Cities

ALTERNATES PRESENT

Jennifer Donnelly
Chad Eiken
Ed Gronke
Susie Lahsene
Brenda Perry
Marc San Soucie
Jeff Swanson

AFFILIATION

Department of Land Conservation and Development
City of Vancouver
Clackamas County Citizen
Port of Portland
City of West Linn, Clackamas Co. Other Cities
City of Beaverton, Washington Co. 2nd Largest City
Clark County

OTHERS PRESENT: Tom Armstrong, Adam Barber, Dan Chandler, Colin Cooper, Chris Deffebach, Jennifer Donnelly, Emily Klepper, Zoe Monahan, Bill Peterson

STAFF: Roger Alfred, Nick Christensen, Alexandra Eldridge, Elissa Gertler, Nellie Papsdorf, Ted Reid, John Williams, Nikolai Ursin

1. CALL TO ORDER, SELF INTRODUCTIONS, CHAIR COMMUNICATIONS

MPAC 1st Vice Chair Tim Clark called the meeting to order at 5:05 p.m. and declared a quorum. All attendees introduced themselves.

2. CITIZEN COMMUNICATIONS

There were none.

3. COUNCIL UPDATE

Councilor Sam Chase notified MPAC members of the following items:

- On July 9, the Metro Council will hold a special meeting at the Centro Cultural de Washington County in the City of Cornelius. The meeting will include a tour of the Chehalem Ridge Natural Area, lunch, and a nature-themed Metro Council meeting. As part of the meeting, Nature in Neighborhoods grant recipients will be announced.
- The Oregon Legislature has approved a brownfields clean up bill, sending it to Governor Kate Brown for signature. House Bill 2734 would allow local governments to create limited liability brownfield service districts that could clean up the region's more than 2,000 brownfields.
- On June 19, the Oregon Zoo participated in the Times Square Ivory Crush, a national event put on by the U.S. Fish and Wildlife Service to raise awareness about the illegal ivory trade that kills about 35,000 elephants each year. As part of the event, the Oregon Zoo sent 250 pounds of ivory for destruction.

4. MPAC MEMBER COMMUNICATION

There were none.

5. CONSENT AGENDA

5.1 Consideration of May 27, 2015 Minutes

5.2 Consideration of June 10, 2015 Minutes

5.3 MTAC Nomination

MOTION: Councilor Jeff Gudman moved and Mayor Mark Gamba seconded, to adopt the consent agenda as amended.

ACTION: With all in favor, the motion passed.

Notes: Councilor Gudman noted that he was present at the June 10, 2015 MPAC meeting.

6. INFORMATION/DISCUSSION ITEMS

6.1 2015 Urban Growth Management Decision: Planning Within a Range Forecast for Population and Employment Growth

1st Vice Chair Tim Clark introduced the topic and requested that the committee split up into smaller groups after a brief introduction to the range forecast. He asked that the groups discuss policy questions provided by the Metro Council to inform the urban growth management (UGM) decision and stated that Metro staff would serve as scribes for the discussion and write up the main points to be shared with the committee at the next meeting.

1st Vice Chair Clack introduced Ted Reid, Metro's project manager for the UGM decision, to provide a brief overview of the topic.

Mr. Reid noted that the topic was part of an ongoing discussion that MPAC and the Metro Council requested to better understand how much growth capacity the region has for the next twenty years. Mr. Reid reminded MPAC members that Metro staff had proposed to focus policy discussions related to the UGM decision on the following three topics related to regional housing needs: 1. Residential development potential in urban centers such as Portland. 2. Residential development potential in areas outside the urban growth boundary (UGB) such as Damascus. 3. Planning within a range forecast for population and employment growth.

Mr. Reid explained that the population and employment forecast in the draft 2014 Urban Growth Report (UGR) is one of the core elements of assessment to inform the Metro Council's final decision. The forecast was peer reviewed by public and private sector economists and demographers, and provides a range of how many people and jobs the region needs to plan for. Mr. Reid noted that the forecast is expressed as a range in order to provide it with flexibility and resiliency, as some forecast assumptions will be imperfect when planning ahead for a twenty year period, but that the baseline forecast (a mid-point in the range) is Metro staff's best estimate of what future growth may be.

Mr. Reid said that Metro's population forecasts have been pretty accurate over time. He noted that employment was typically more difficult to plan for as it is generally subject to a broader range of forces. Mr. Reid stated that because of this, the employment forecast has led to more discussion among elected officials and staff. He explained that many believe that the region should plan for a higher employment forecast as a demonstration of its focus on creating jobs but that the experts involved in the forecast have advised against that for a number of reasons, including possibly underestimating unemployment.

John Williams, Deputy Director of Planning and Development at Metro and Chair of the Metro Technical Advisory Committee (MTAC), gave a brief overview of MTAC's discussion on June 17 that focused on the urban growth management decision and planning within a range forecast. He noted that in many ways, the conversations at MTAC reflected the same observations and questions heard at MPAC. He added that they also discussed the Urban Growth Report's assumptions about the City of Damascus and how those assumptions could change in light of the de-annexations of land to the City of Happy Valley.

Mr. Reid noted that the Metro Council was interesting in focusing discussion on three topics in order to inform their decision-making on which growth management process option to pursue in the fall:

- What factors might lead population and household growth to exceed or fall short of the forecast mid-point?
- Policymakers have raised questions about development feasibility in UGB expansion areas, including Damascus and the likelihood of residential development in urban centers such as

those in Portland. If there are remaining doubts about whether these areas will see the amount of growth forecast, do policymakers wish to consider a lower point in the range forecast? Or, is higher growth in other locations more likely? If so, where and why?

- Most people would like to see more jobs created in their communities. However, choosing a higher point in the forecast range won't cause that to occur. If a higher point in the forecast range is contemplated, what actions or investments will be made to encourage job growth?

1st Vice Chair Tim Clark split the committee into groups and asked them to discuss the three topics. Individual group discussion notes were taken by staff. The reports are summarized below:

What factors might lead population and household growth to exceed or fall short of the forecast mid-point?

- Natural disasters, climate change, and boom cycles in other regions could cause higher or lower growth in the Portland region.
- If migration to the region increases, would we be able to tell if increased migration is due to climate change or other reasons?
- Already hearing anecdotes of people moving here because of hearing that the northwest's climate will likely remain hospitable.
- Climate change could increase the importance of our agricultural economy as farming becomes more difficult in California.
- We could end up with too much land (and unrealistic property owner expectations for profit) if we aim too high in the forecast range.
- Clark County added large swaths of land to their urban growth area in 2004 and the land is still undeveloped because there is no money for infrastructure, especially transportation infrastructure.
- We're having difficulty funding infrastructure maintenance as it is and can't afford to build new facilities.
- We shouldn't worry about picking a point forecast too much since Metro redoes its forecast every few years.
- If more funding is dedicated to improving the region's schools, people will be more likely to move here.
- Economic growth seems to be driven by people moving here rather than people who are native to the region.
- The high cost of living may drive people to live elsewhere.
- Shortage of well-paying jobs will encourage people to live elsewhere.

Policymakers have raised questions about development feasibility in urban growth boundary (UGB) expansion areas, including the City of Damascus and the likelihood of residential development in urban centers such as those in the City of Portland. If there are remaining doubts about whether these areas will see the amount of growth forecast, do policymakers wish to consider a lower point in the range forecast? Or, is higher growth in other locations more likely? If so, where and why?

- The City of Happy Valley will absorb some of the land now in the City of Damascus. Some of that land will be zoned for employment.
- The City of Wilsonville needs more housing now.
- There is a tension between local and regional housing needs. Is there a need to allow sub-regional analysis?
- There is a mechanism in state law for swapping land in the City of Damascus for a UGB expansion elsewhere.

- There is no need for residential land even at the high end of the forecast range.
- The concept of local jobs/housing balance doesn't work in practice. People won't always choose or be able to live and work in the same community.
- Some jurisdictions would rather just end the current UGB decision process and start a new one.

Most people would like to see more jobs created in their communities. However, choosing a higher point in the forecast range won't cause that to occur. If a higher point in the forecast range is contemplated, what actions or investments will be made to encourage job growth?

- Infrastructure investments are needed.
- What we all have in common is the need for infrastructure investment.
- Light rail is a job attractor. Orange Line is going to lead to employment growth.
- We should be acquiring land along the Orange Line and investing in infrastructure there.
- Transit services in transit-deficient parts of the region such as Clackamas County would make those areas more appealing to potential employers. The Orange Line is a good expansion but does not go far enough into Clackamas County.
- Highway congestion stifles business as well.
- Choosing a high growth forecast won't cause job growth and choosing a low growth forecast won't stifle job growth.
- Washington State's sales tax is an incentive for big box development and low-wage jobs.
- Do we need more regional agreement on what the relative strengths of different parts of the region are so that we can avoid competing against each other?
- Education is more important than land supply for employment growth, but it gets ignored.
- To incentivize job growth, we should facilitate opportunities for employers, such as investing in our brownfields and rezoning certain areas.
- The best opportunity for job growth in Clackamas County is the health care sector, but there is also a worry that many jobs in that field are low-paying. It is not just a question of attracting jobs.
- Land supply is not the solution to our problems. We need to make the most of what we have. There is land already in our cities not being used. How can we incentivize creating new properties there? How can we market the opportunities we already have?
- Cluster concept is still valid; let's prioritize land that is already located near principle areas.
- Land use laws and their implementation make Oregon unattractive to business owners.
- The industrial lands analysis was incredibly informative in terms of how much infrastructure is needed to develop industrial lands.
- Designating further employment lands will not necessarily lead to more jobs. If we did add employment land to the UGB, how would it be used? What kind of businesses are we going to attract?
- Making a variety of land available to employers seems vital. In some parts of the region, industrial properties are sitting vacant. People want options when developing.
- Of the 260,000 jobs projected, how many are service-oriented? How many are land-intensive and how many require office space?
- Some jobs don't require new land, just renovation and/or upgrades. What can we do to improve the land we have?

The audience included Metro Technical Advisory Committee (MTAC) members and alternates, Transportation Policy Alternatives Committee (TPAC) members, and an MPAC alternate, and formed its own discussion group. Notes were taken by staff and are summarized below:

What factors might lead population and household growth to exceed or fall short of the forecast mid-point?

- Housing affordability and preferences could both affect population and household growth.
- Though the region remains more affordable than other similar areas of the Northwest (such as Seattle, the Bay Area, etc.) we should monitor housing affordability in the region and how it's changing. As housing becomes less affordable, people will find it harder to move here.
- The development of too many large, estate-style homes and not enough affordable housing may make it difficult for people to afford to live in the region.
- Household types may need to change as demographics shift.
- Climate migration seems to be an ever growing factor in why people move to the region, particularly from water scare areas such as California.
- Large-scale employers could prompt population growth.
- The Cascadia subduction zone and potential natural disasters make us less desirable.

What are the risks and opportunities of planning for higher or lower employment growth in the forecast range?

- What is the risk of going too high?
- What is the investment required regionally to plan for a higher point of employment?
- Unused land or brownfields could be redeveloped and/or renovated to use as employment lands. There is opportunity in these areas as they already have infrastructure to support business.
- More land does not necessarily equal more jobs.

After reconvening the small groups, 1st Vice Chair Clark asked the committee to share some of its ideas as a group.

Member discussion included:

Councilor Bob Stacey discussed the forecast and potential effects of recent changes, such as the de-annexations of land from the City of Damascus to the City of Happy Valley. He explained that while staff and its partners are still confident in the range forecast figures, the Metro Council was interested in hearing from its regional advisory committees before making a final decision. Jeff Swanson inquired about how climate refugee demographics were determined and how they contributed to population figures. He also asked about the region's changing demographics as well as the jobs to household ratio and asked how they factored into employment and land needs.

Ted Reid noted that the region has a relatively high ratio of jobs to households, as well as a high ratio of employment to people, as compared to other regions of similar size. He point out that 60% of new households in the Metro area are projected to make less than \$50,000 annually, and that the estimate factored heavily into employment and housing needs.

Mayor Jerry Willey expressed concerns about the employment forecast and the estimate that 60% of new households will make less than \$50,000 a year. He explained that such demographics will not be able to afford to live in the region and added that he did not feel the region was doing enough

to adequately address such issues.

Members discussed the challenges of such income estimates. Susie Lahsene noted that they would put a lot of pressure on the employment sector, as Oregon is a very income tax dependent state.

Mayor Mark Gamba asked about the unemployment figures in the forecast and if they included people experiencing long-term homelessness and other demographics that are not represented by unemployment statistics because they no longer receive unemployment benefits. Mr. Reid noted that they were not included in the figures.

Councilor Jeff Gudman thanked staff for the extensive work that went into the forecast. He asked about the number of range forecasts Metro has used so far. Mr. Reid responded that it was the second time Metro has used a range forecast to determine population and employment, but that Metro has been forecasting such figures for decades. Councilor Gudman also asked how forecasts have played out over the years. Mr. Reid noted that the population and employment forecasts have been pretty reliable, with the population forecast typically the more accurate of the two.

Ruth Adkins noted that the region's communities of color, particularly in the City of Portland, are experiencing severe displacement and gentrification. She added that she continues to be engaged in the issue through groups such as Metro's Equitable Housing Initiative, but stressed the need for a comprehensive reaction.

Ms. Adkins also mentioned the importance of schools, connecting them to employment challenges. She explained that without a stable and adequate school funding structure, it will be a challenge to develop the workforce and jobs that the region needs.

Members discussed various zoning code challenges and how they may affect land use in the next twenty years.

Chair Andy Duyck expressed concerns about setting the employment forecast too low, adding that the region should aspire to create an environment appealing to employers.

Mayor Willey agreed with Chair Duyck and explained that setting the employment forecast at a point higher than the mid-range would incentivize the region's cities and counties to drive policy that would produce a higher employment number.

Councilor Chase expressed reservations about setting the employment forecast higher, explaining that he felt it was best to keep aspirational goals separate from the more probable projections. He agreed higher employment goals were important but suggested that they are better suited for policy discussions surrounding how to achieve a stronger employer base.

Chair Duyck emphasized the importance of transportation in land use conversations, explaining that it strongly affects the availability of land and the use of it.

Mayor Willey stated that the urban rural reserves court decision had negatively affected the region's ability to plan for the next fifty years, particularly in terms of transportation modifications, expansions, and improvements. He explained that having excess inventory would help prevent increased housing costs and congestion, and provide greater flexibility for the region down the line.

Mr. Swanson shared an example of the challenges of expansion, noting that in 2004, Clark County underwent a significant boundary expansion of almost 2,000 acres. He explained that in 2015, the land is still in urban holding as transportation and infrastructure issues remain unresolved and the process continues to frustrate many local residents.

Councilor Marc San Soucie noted that expansion was not an option for many jurisdictions, such as the Cities of Beaverton, Milwaukie, or Lake Oswego. He explained that this represented a difference in how various communities are able to promote economic development and provide employer incentives. He suggested that it would be beneficial to develop economic development techniques, tools, and policies regionally, in order to account for such differences and make a collaborative response to the region's employment needs.

Members discussed various groups in Oregon that handle economic development and potential ways to convene the region's leaders and stakeholders to develop region-wide economic development tools and strategies.

Susie Lahsene noted that one challenge she experienced concerned the region's different zoning code requirements and regulations. She explained that land that is shared across jurisdictions is often very hard to develop due to conflicting coding.

Councilor San Soucie shared an experience with redefining zoning codes and procedures to develop land that was part of both unincorporated Washington County and the City of Beaverton as an example of how partnerships can lead to successful land developments.


Chad Eiken inquired about the level of dependency the region has on one or two high-paying large employers. He explained that one idea from his group was to encourage diversification of jobs so as to avoid relying too heavily on specific sectors.

John Williams said he would report back to MPAC on the timeline for a UGM decision recommendation at an upcoming meeting.

7. ADJOURN

MPAC 1st Vice Chair Tim Clark adjourned the meeting at 7:02 p.m.

Respectfully Submitted,



Nellie Papsdorf
Recording Secretary

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JUNE 24, 2015

ITEM	DOCUMENT TYPE	DOC DATE	DOCUMENT DESCRIPTION	DOCUMENT No.
1.0	Handout	07/19/01	Acronyms Cheat Sheet	062415m-01