



Metro | Agenda

Meeting: Metro Technical Advisory Committee
 Date: Wednesday, August 5, 2015
 Time: 10:00 a.m. to Noon
 Place: Council Chamber

Time	Agenda Item	Action Requested	Presenter(s)	Materials
10:00 a.m.	CALL TO ORDER Updates from the Chair <ul style="list-style-type: none"> Housekeeping Amendments to Functional Plan 		John Williams, Chair	
	Citizen Communications to MTAC		All	
10:15 45 min.	Clackamas and Washington County Industrial Land Readiness Project <i>Purpose: Discuss Metro, County and City partnerships to provide market-ready industrial lands</i>	Information / Discussion	Erin Wardell, Washington County Jamie Johnk, Clackamas County	
11:00 45 min.	Commercial Cannabis Facilities <i>Purpose: Share information on local government approaches to marijuana retail and production facilities</i>	Information / Discussion	Tom Armstrong, Portland	
30 min.	Urban Growth Management Decision <i>Purpose: Discuss Chief Operating Officer's July 28 recommendation to Council</i>	Information / Discussion	Ted Reid, Metro	
Noon	Adjourn			

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2015 MTAC Tentative Agendas

<p>July 1 Cancelled</p>	<p>July 15</p> <ul style="list-style-type: none"> • Powell-Division Transit Action Plan and Action Plans for the Cities of Gresham and Portland • Urban Growth Management decision
<p>August 5</p> <ul style="list-style-type: none"> • Clackamas and Washington County Industrial Land Readiness Project • Urban Growth Management decision – Chief Operating Officer Recommendation • Commercial Cannabis Facilities 	<p>August 19 Cancelled</p>
<p>September 2</p> <ul style="list-style-type: none"> • Urban Growth Management decision 	<p>September 16</p> <ul style="list-style-type: none"> • Draft RTP update work plan, including MTAC role and priorities to address, and 2018 RTP /2019-21 MTIP Transportation Equity Assessment • Regional Transit Plan: Review draft Regional Transit Vision • Community Planning & Development Grant Recommendations • <i>Metro Equity Strategy*</i>
<p>October 7</p>	<p>October 21</p> <ul style="list-style-type: none"> • Recommendation to MPAC on 2018 RTP update work plan, update on Regional Transit Strategy • Industrial lands infrastructure – ODOT • Financing programs
<p>November 4</p>	<p>November 18</p>
<p>December 2</p>	<p>December 16</p>

Parking Lot:

- Legislative Update
- Travel Options topic plan
- Tigard Tree Grove presentation
- Willamette Falls tour

**May be moved due to volume of items on agenda.*



Date: Thursday, July 30, 2015
To: MTAC Members and other Interested Persons
From: Tim O'Brien, Principal Regional Planner
Re: Housekeeping Amendments to Functional Plan

Previously MTAC members have raised the issue regarding a discrepancy between Metro's 45 day notice requirement contained in the Functional Plan and DLCD's 35 day notice requirement. In addition, overtime staff has identified a number of other code section inconsistencies contained in and between the different titles within the Functional Plan.

Please review the attached draft staff report, ordinance and exhibit outlining the proposed housekeeping amendments. The housekeeping amendments will be included in the Updates from the Chair agenda item.

If you have any questions please don't hesitate to contact me at (503) 797-1840 or tim.o'brien@oregonmetro.gov

STAFF REPORT - Draft

IN CONSIDERATION OF ORDINANCE NO. 15-1357, FOR THE PURPOSE OF ADOPTING HOUSEKEEPING AMENDMENTS TO THE URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN

Date: July 30, 2015

Prepared by: Tim O'Brien
Principal Regional Planner

BACKGROUND

The Urban Growth Management Functional Plan (Functional Plan) was adopted by the Metro Council in 1996 and amended and codified as Metro Code Chapter 3.07 in 1997. The Functional Plan provides tools and guidance for local jurisdictions to implement regional policies and achieve the goals set out in the region's 2040 Growth Concept. The original Functional Plan contained ten titles, three of which have been repealed, Title 2 Regional Parking Policy, Title 5 neighbor Cities and Rural Reserves and Title 9 Performance Measures. Four titles have been added to the Functional Plan since 1999 including Title 11 Planning for New Urban Areas, Title 12 Protection of Residential Neighborhoods, Title 13 Nature in Neighborhoods and Title 14 Urban Growth Boundary. Over time the titles have been amended by adding or removing sections as well as referencing code sections from other titles. Unfortunately, some cross references were not updated as needed when the amendments occurred.

Title 8 Compliance Procedures establishes a process for ensuring city or county compliance with requirements of the Functional Plan. A city or county proposing an amendment to a comprehensive plan or land use regulation is required to submit the proposed amendment to Metro 45 days prior to the first evidentiary hearing on the amendment. The 45 day notice requirement was adopted to be consistent with the Department of Land Conservation and Development's (DLCDC) 45 day notice requirement, providing one notification date for local jurisdictions to meet. DLCDC changed their 45 day notice requirement to 35 days effective January 1, 2012; however the Functional Plan still requires 45 days, resulting in two notification dates for local jurisdictions.

PROPOSAL

Adopt housekeeping amendments to address code section inconsistencies and update the notification requirements as summarized below. Text to be deleted is ~~struckthrough~~ and text to be added is underlined. Proposed amendments are provided in code section form in Exhibit A to the ordinance.

The outline format of the Metro Code is inconsistent. Chapter 3.07 is amended to reflect the following outline format (a)(1)(A)(i)1 rather than the current format of A.1.a.i. to align this chapter with the other chapters of the Metro Code. This outline format is reflected in the specific Title amendments below.

Title 1 Housing Capacity

- Amend Code Section 3.07.120(b) by replacing (~~hh~~) with (gg) to reflect re-lettering of Title 10 Definitions due to the deletion of a definition as noted below in Title 10 Definitions.

Title 3 Water Quality and Flood Management

- Amend the footnote of Table 3.07-3 to add rivers to the definition of primary protected water feature to match the definition of primary protected water feature contained in Title 10 Definitions.

- Amend Metro Code Sections 3.07.330(a)(1)(B) and 3.07.330(a)(1)(B)(ii) by deleting ~~updated according to Section 3.07.370, and as required by Section 3.07.370 and~~ respectively as Section 3.07.370 was repealed in 2005 with the adoption of Title 13.

Title 6 Centers, Corridors, Station Communities and Main Streets

- Amend Code Section 3.07.640(b)(1) by replacing ~~land uses listed in~~ with amenities identified in the most current version of the as amenities not land uses are listed in the State of the Centers Report. Also delete ~~January, 2009~~ as we expect the report will be updated to a web based platform by the end of 2015, which will allow for updates to occur more regularly in the future.

Title 7 Housing Choice

- Amend Code Section 3.07.740(a) by deleting ~~subsection 3.07.120D of Title 1 (Requirements for Housing and Employment Accommodation) and~~ and Code Section 3.07.740(b) by deleting ~~Local governments may report their progress as part of the capacity reports required by subsection 3.07.120D of Title 1 (Requirements for Housing and Employment Accommodation)~~ as there is no reporting requirement in Code Section 3.07.120(d).

Title 8 Compliance Procedures

- Amend Code Section 3.07.820(a) by replacing ~~45~~ with 35 to be consistent with DLCD requirements.
- Amend Code Section 3.07.860(c) by replacing ~~Committee for Citizen Involvement~~ with Public Engagement Review Committee (PERC) to reflect new name of Metro's citizen advisory committee.
- Amend Code Section 3.07.870(a) by adding al at the end of Function to accurately reference the Functional Plan.
- Amend Code Section 3.07.870(a) and (b) by replacing ~~MCCI~~ with PERC.

Title 10 Definitions

- Delete ~~"MCCI" means the Metro Committee for Citizen Involvement~~ definition and adjust lettering in Title 10.
- Amend Code Section 3.07.1010 (sss) "Wetlands" by adding and the Regional Supplemental to the Corps of Engineers Wetland Delineation Manual: Western Mountains, Valleys and Coast Range (Version 2.0), (May 2010) to the end of the definition as the regional supplemental provides specific regional information that would take precedence if a difference occurred with the delineation manual.

Title 11 Planning for New Urban Areas

- Amend Code Section 3.07.1110 by replacing the second reference to ~~B. & C.~~ with (d) & (e) to provide consistent lettering of code section.
- Amend Code Section 3.07.1120(d) by replacing ~~in section 3.07.120~~ with identified in Metro's Goal 14 analysis as there is no residential capacity methodology in 3.07.120.
- Delete Code Section 3.07.1140 Applicability in its entirety as that section was included in Title 11 only to clarify that the 2011 UGB amendments adopted by the Metro Council did not need to address Metro Code Section 3.07.1110 Planning for Areas Designated Urban Reserve.

Title 12 Protection of Residential Neighborhoods

- Amend Code Section 3.07.1220 by deleting ~~an Inner or Outer and pursuant to Metro Code Section 3.07.130 prior to May 22, 2002~~ to reflect previous removal of Inner and Outer from the 2040 Growth Concept Map.
- Amend Code Sections 3.07.1230(a) & (b) and 3.07.1240(b) by deleting ~~Inner and Outer~~.

Title 13 Nature in Neighborhoods

- Amend Code Section 3.07.1330(h)(1) by replacing 3.07.140(A)(2) with 20 as there is no section 3.07.140(A)(2) and 3.07.120 is the entire section addressing reductions to zoned capacity.
- Amend Code Sections 3.07.1350 and 3.07.1350(a) by replacing ~~197.352~~ with 195.305 and ~~37~~ with 49 as the statute was renumbered in 2007.
- Amend Code Sections 3.07.1350(b)(1) and 3.07.1350(b)(2) by replacing ~~197.352~~ with 195.305 as the statute was renumbered in 2007.

Title 14 New Urban Area Planning

- Amend Code Section 3.07.1410(a) by inserting acknowledgement of between *within 21 days after* and *an amendment to the UGB*.
- Amend Code Section 3.07.1440B. by replacing ~~B-C-D-E-F~~ with (b) (c) (d) (e) (f) to reflect new outline format, insert and between (e) (f) and delete ~~and G~~ as there is no section G.
- Amend Code Section 3.07.1455(c) by inserting any of the after pursuant to, deleting ~~3.07.1420, 3.07.1430 or 3.07.1435~~ and inserting of this title after sections to allow the Metro Council to establish conditions on a minor adjustment of the UGB petition that is appealed to the Metro Council for review. Under the minor adjustment procedures the Metro Chief Operating Officer issues an order approving or denying a petition, which can be appealed to the Council for review.
- Amend Code Sections 3.07.1465(a)(1) & (2) and (b)(1) and 3.07.1465(d)(1) by replacing ~~45~~ with 35 to be consistent with DLCDC requirements.

ANALYSIS/INFORMATION

Known Opposition: There is no known opposition to this application.

Legal Antecedents: Metro Code Chapter 3.07 Urban Growth Management Functional Plan is the primary regional policy tool for achieving the goals set out in the 2040 Concept Plan.

Anticipated Effects: Adoption of Ordinance No. 15-1357 will make housekeeping changes to various titles of the Functional Plan to remove code section inconsistencies and update notification requirements.

Budget Impacts: There is no budget impact.

RECOMMENDED ACTION

Staff recommends adoption of Ordinance No. 15-1357.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING)	ORDINANCE NO. 15-1357
HOUSEKEEPING AMENDMENTS TO)	
THE URBAN GROWTH MANAGEMENT)	Introduced by Martha J. Bennett, Chief
FUNCTIONAL PLAN)	Operating Officer, with the concurrence of
)	Tom Hughes, Council President

WHEREAS, the Urban Growth Management Functional Plan (UGMFP) was adopted by the Metro Council in 1996 and codified as Metro Code Chapter 3.07 in 1997; and

WHEREAS, the UGMFP provides local jurisdictions with tools and guidance for implementing regional policies and achieving the goals set out in the region’s 2040 Growth Concept; and

WHEREAS, due to amendments over time, the UGMFP contains references to other provisions of Metro Code, Oregon statutes and administrative rules that are no longer correct, as described in the staff report dated _____, 2015; and

WHEREAS, the UGMFP includes other minor inaccuracies that the Metro Council desires to correct, as described in the staff report dated _____, 2015; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. Chapter 3.07 of the Metro Code is hereby amended as shown on Exhibit A, attached and incorporated into this ordinance.

ADOPTED by the Metro Council this _____ day of August 2015.

Tom Hughes, Council President

Attest:

Approved as to Form:

Alexandra Eldridge, Recording Secretary

Alison R. Kean, Metro Attorney

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standards are included in most titles. If local jurisdictions demonstrate to Metro that they meet the performance standard, they have met that requirement of the title. Standard methods of compliance are also included in the plan to establish one very specific way that jurisdictions may meet a title requirement, but these standard methods are not the only way a city or county may show compliance. In addition, certain mandatory requirements that apply to all cities and counties are established by this functional plan.

(Ordinance 97-715B, Sec. 1.)

REGIONAL FUNCTIONAL PLAN REQUIREMENTS

Title 1: Housing Capacity

3.07.110 Purpose and Intent

The Regional Framework Plan calls for a compact urban form and a "fair-share" approach to meeting regional housing needs. It is the purpose of Title 1 to accomplish these policies by requiring each city and county to maintain or increase its housing capacity except as provided in section 3.07.120.

(Ordinance 97-715B, Sec. 1. Ordinance 02-969B, Sec. 1. Ordinance 10-1244B, Sec. 2.)

3.07.120 Housing Capacity

- (a) A city or county may reduce the minimum zoned capacity of the Central City or a Regional Center, Town Center, Corridor, Station Community or Main Street under subsection (d) or (e). A city or county may reduce its minimum zoned capacity in other locations under subsections (c), (d) or (e).
- (b) Each city and county shall adopt a minimum dwelling unit density for each zone in which dwelling units are authorized except for zones that authorize mixed-use as defined in section 3.07.1010-~~(hh)~~ (gg). If a city or county has not adopted a minimum density for such a zone prior to March 16, 2011, the city or county shall adopt a minimum density that is at least 80 percent of the maximum density.
- (c) A city or county may reduce its minimum zoned capacity by one of the following actions if it increases minimum

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Model Ordinance or code language that substantially complies with the performance standards in Section 3.07.340 and the intent of this title, and adopt either the Metro Water Quality and Flood Management Area Map or a map which substantially complies with the Metro map. Cities and counties may choose one of the following options for applying this section:

- (A) Adopt code language implementing this title which prevails over the map and uses the map as reference; or
- (B) Adopt a city or county field verified map of Water Quality and Flood Management Areas based on the Metro Water Quality and Flood Management map, ~~updated according to Section 3.07.370,~~ implementing this title which prevails over adopted code language.

Field verification is a process of identifying or delineating Protected Water Features, Water Quality Resource Areas and Flood Management Areas shown on the Metro Water Quality and Flood Management Areas map. This process includes examination of information such as site visit reports, wetlands inventory maps, aerial photographs, and public input and review. The field verification process shall result in a locally adopted Water Quality and Flood Management Areas map which:

- (i) Applies the Title 10 definitions of Protected Water Feature, Water Quality Resource Areas and Flood Management Areas to all those protected areas on the Metro Water Quality and Flood Management Areas map to show the specific boundaries of those protected areas on the locally adopted Water Quality and Flood Management Areas map; and
- (ii) Is subject to amendment by applying adopted code language to add Protected Water Features, Water Quality Resource Areas and Flood Management Areas and to correct errors in the local Water Quality and Flood Management Areas map ~~as required by Section 3.07.370 and~~ consistent with Section 3.07.330(d).

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Table 3.07-3 - Protected Water Features

(Section 3.07.340 (b) (2) (A))

Protected Water Feature Type (see definitions)	Slope Adjacent to Protected Water Feature	Starting Point for Measurements from Water Feature	Width of Vegetated Corridor
Primary Protected Water Features ¹	< 25%	<ul style="list-style-type: none"> • Edge of bankfull flow or 2-year storm level; • Delineated edge of Title 3 wetland 	50 feet
Primary Protected Water Features ¹	> 25% for 150 feet or more ⁵	<ul style="list-style-type: none"> • Edge of bankfull flow or 2-year storm level; • Delineated edge of Title 3 wetland 	200 feet
Primary Protected Water Features ¹	≥ 25% for less than 150 feet ⁵	<ul style="list-style-type: none"> • Edge of bankfull flow or 2-year storm level; • Delineated edge of Title 3 wetland 	Distance from starting point of measurement to top of ravine (break in >25% slope) ³ , plus 50 feet. ⁴
Secondary Protected Water Features ²	< 25%	<ul style="list-style-type: none"> • Edge of bankfull flow or 2-year storm level; • Delineated edge of Title 3 wetland 	15 feet
Secondary Protected Water Features ²	≥ 25% ⁵	<ul style="list-style-type: none"> • Edge of bankfull flow or 2-year storm level; • Delineated edge of Title 3 wetland 	50 feet

¹ Primary Protected Water Features include: all rivers, perennial streams, and streams draining greater than 100 acres, Title 3 wetlands, natural lakes and springs.

² Secondary Protected Water Features include intermittent streams draining 50-100 acres.

³ Where the Protected Water Feature is confined by a ravine or gully, the top of ravine is the break in the ≥ 25% slope (see slope measurement in

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3.07.640 Activity Levels for Centers, Corridors, Station Communities and Main Streets

- (a) A Centers, Corridors, Station Communities and Main Streets need a critical number of residents and workers to be vibrant and successful. The following average number of residents and workers per acre is recommended for each:
- (1) Central City - 250 persons
 - (2) Regional Centers - 60 persons
 - (3) Station Communities - 45 persons
 - (4) Corridors - 45 persons
 - (5) Town Centers - 40 persons
 - (6) Main Streets - 39 persons
- (b) Centers, Corridors, Station Communities and Main Streets need a mix of uses to be vibrant and walkable. The following mix of uses is recommended for each:
- (1) ~~The land uses listed in~~ amenities identified in the most current version of the State of the Centers: Investing in Our Communities, January, 2009, such as grocery stores and restaurants;
 - (2) Institutional uses, including schools, colleges, universities, hospitals, medical offices and facilities;
 - (3) Civic uses, including government offices open to and serving the general public, libraries, city halls and public spaces.
- (c) Centers, Corridors, Station Communities and Main Streets need a mix of housings types to be vibrant and successful. The following mix of housing types is recommended for each:
- (1) The types of housing listed in the "needed housing" statute, ORS 197.303(1);
 - (2) The types of housing identified in the city's or county's housing need analysis done pursuant to ORS 197.296 or statewide planning Goal 10 (Housing); and
 - (3) Accessory dwellings pursuant to section 3.07.120 of this chapter.

(Ordinance 97-715B, Sec. 1. Ordinance 98-721A, Sec. 1. Ordinance 02-969B, Sec. 7. Ordinance 10-1244B, Sec. 5.)

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3.07.730 Requirements for Comprehensive Plan and Implementing Ordinance Changes

Cities and counties within the Metro region shall ensure that their comprehensive plans and implementing ordinances:

- (a) Include strategies to ensure a diverse range of housing types within their jurisdictional boundaries.
- (b) Include in their plans actions and implementation measures designed to maintain the existing supply of affordable housing as well as increase the opportunities for new dispersed affordable housing within their boundaries.
- (c) Include plan policies, actions, and implementation measures aimed at increasing opportunities for households of all income levels to live within their individual jurisdictions in affordable housing.

(Ordinance 97-715B, Sec. 1. Ordinance 00-882, Sec. 2. Ordinance 03-1005A, Sec. 1. Ordinance 06-1129B, Sec. 2.)

3.07.740 Inventory and Progress Reports on Housing Supply

- (a) Local governments shall assist Metro in the preparation of a biennial affordable housing inventory by fulfilling the reporting requirements in ~~subsection 3.07.120D of Title 1 (Requirements for Housing and Employment Accommodation)~~ and subsection (b) of this section.
- (b) Local governments shall report their progress on increasing the supply of affordable housing to Metro on a form provided by Metro, to be included as part of the biennial housing inventory described in subsection (a). Local governments shall submit their first progress reports on July 31, 2007, and by April 15 every two years following that date. ~~Local governments may report their progress as part of the capacity reports required by subsection 3.07.120(d) of Title 1 (Requirements for Housing and Employment Accommodation).~~ Progress reports shall include, at least, the following information:
 - (1) The number and types of units of affordable housing preserved and income groups served during the reporting period, as defined in Metro's form;
 - (2) The number and types of units of affordable housing built and income groups served during the reporting period;

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- (f) An amendment to a city or county comprehensive plan or land use regulation shall be deemed to comply with the functional plan as provided in subsection (e) only if the city or county provided notice to the COO as required by subsection (a) of section 3.07.820.

(Ordinance 97-715B, Sec. 1. Ordinance 98-730C, Sec. 4. Ordinance 00-839, Sec. 1. Ordinance 00-882C, Sec. 2. Ordinance 01-925E, Sec. 1. Ordinance 02-972A, Sec. 1. Ordinance 05-1077C, Sec. 6. Ordinance 10-1244B, Sec. 7.)

3.07.820 Review by the Chief Operating Officer

- (a) A city or county proposing an amendment to a comprehensive plan or land use regulation shall submit the proposed amendment to the COO at least ~~45~~35 days prior to the first evidentiary hearing on the amendment. The COO may request, and if so the city or county shall submit, an analysis of compliance of the amendment with the functional plan. If the COO submits comments on the proposed amendment to the city or county, the comment shall include analysis and conclusions on compliance and a recommendation with specific revisions to the proposed amendment, if any, that would bring it into compliance with the functional plan. The COO shall send a copy of comment to those persons who have requested a copy.
- (b) If the COO concludes that the proposed amendment does not comply with the functional plan, the COO shall advise the city or county that it may:
- (1) Revise the proposed amendment as recommended in the COO's analysis;
 - (2) Seek an extension of time, pursuant to section 3.07.830, to bring the proposed amendment into compliance with the functional plan; or
 - (3) Seek an exception pursuant to section 3.07.840.

(Ordinance 97-715B, Sec. 1. Ordinance 98-730C, Secs. 5, 6, 7. Ordinance 98-727C, Sec. 1. Ordinance 00-839, Sec. 1. Ordinance 00-882C, Sec. 2. Ordinance 01-925E, Sec. 1. Ordinance 02-972A, Sec. 1. Ordinance 10-1244B, Sec. 7.)

3.07.830 Extension of Compliance Deadline

- (a) A city or county may seek an extension of time for compliance with a functional plan requirement. The city or county shall file an application for an extension on a form provided by the COO. Upon receipt of an

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3.07.830 or 3.07.840, respectively, the Council may adopt an order that:

- (1) Directs changes in the city or county ordinances necessary to remedy the pattern or practice; or
 - (2) Includes a remedy authorized in ORS 268.390(7).
- (e) The Council shall issue its order not later than 30 days following the hearing and send copies to the city or county, MPAC and any person who requests a copy.

(Ordinance 97-715B, Sec. 1. Ordinance 01-925E, Sec. 1. Ordinance 02-972A, Sec. 1. Ordinance 10-1244B, Sec. 7.)

3.07.860 Citizen Involvement in Compliance Review

- (a) Any person may contact Metro staff or the COO or appear before the Metro Council to raise issues regarding local functional plan compliance, to request Metro participation in the local process, or to request the COO to appeal a local enactment for which notice is required pursuant to subsection (a) of section 3.07.820. Such contact may be oral or in writing and may be made at any time.
- (b) In addition to considering requests as described in (a) above, the Council shall at every regularly scheduled meeting provide an opportunity for people to address the Council on any matter related to this functional plan. The COO shall maintain a list of persons who request notice in writing of COO reviews, reports and orders and proposed actions under this chapter and shall send requested documents as provided in this chapter.
- (c) Cities, counties and the Council shall comply with their own adopted and acknowledged Citizen Involvement Requirements (Citizen Involvement) in all decisions, determinations and actions taken to implement and comply with this functional plan. The COO shall publish a citizen involvement fact sheet, after consultation with the Metro ~~Committee for Citizen Involvement~~Public Engagement Review Committee (PERC), that describes opportunities for citizen involvement in Metro's growth management procedures as well as the implementation and enforcement of this functional plan.

(Ordinance 97-715B, Sec. 1. Ordinance 01-925E, Sec. 1. Ordinance 02-972A, Sec. 1. Ordinance 10-1244B, Sec. 7.)

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3.07.870 Compliance Report

- (a) The COO shall submit a report to the Metro Council by March 1 of each calendar year on the status of compliance by cities and counties with the requirements of the Urban Growth Management Functional Plan. The COO shall send a copy of the report to MPAC, JPACT, MCCIPERC and each city and county within Metro.
- (b) A city, county or person who disagrees with a determination in the compliance report may seek review of the determination by the Council by written request to the COO. The Council shall notify the requestor, all cities and counties, MPAC, JPACT, MCCIPERC, the Department of Land Conservation and Development and any person who requests notification of the review. The notification shall state that the Council does not have jurisdiction to:
 - (1) Determine whether previous amendments of comprehensive plans or land use regulations made by a city or county comply with functional plan requirements if those amendments already comply pursuant to subsections (e) and (f) of section 3.07.810; or
 - (2) Reconsider a determination in a prior order issued under this section that a city or county complies with a requirement of the functional plan.
- (c) Following its review at a public hearing, the Council shall adopt an order that determines whether the city or county complies with the functional plan requirement raised in the request. The order shall be based upon the COO's report and testimony received at the public hearing. The COO shall send a copy of the order to cities and counties and any person who testifies, orally or in writing, at the public hearing.
- (d) A city or county or a person who participated, orally or in writing, at the public hearing, may seek review of the Council's order as a land use decision described in ORS 197.015(10) (a) (A).

(Ordinance 01-925E, Sec. 2. Ordinance 02-972A, Sec. 1. Ordinance 10-1244B, Sec. 7.)

Title 9: Performance Measures

Title 9 is repealed.

(Ordinance 10-1244B, Sec. 8.)

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comprehensive plan or land use regulations, but in no event shall the local program effective date be later than two years after Title 13 is acknowledged by LCDC. For territory brought within the Metro UGB after December 28, 2005, the local program effective date shall be the effective date of the ordinance adopted by the Metro Council to bring such territory within the Metro UGB.

- (cc) "Metro" means the regional government of the metropolitan area, the elected Metro Council as the policy setting body of the government.
- (dd) "Metro boundary" means the jurisdictional boundary of Metro, the elected regional government of the metropolitan area.
- ~~(cc)~~ ~~"MCCI" means the Metro Committee for Citizen Involvement.~~
- ~~(ff)~~ (ee) "MPAC" means the Metropolitan Advisory Committee established pursuant to Metro Charter, Chapter V, Section 27.
- ~~(gg)~~ (ff) "Mitigation" means the reduction of adverse effects of a proposed project by considering, in the following order: (1) avoiding the impact altogether by not taking a certain action or parts of an action; (2) minimizing impacts by limiting the degree or magnitude of the action and its implementation; (3) rectifying the impact by repairing, rehabilitating or restoring the affected environment; (4) reducing or eliminating the impact over time by preservation and maintenance operations during the life of the action by monitoring and taking appropriate measures; and (5) compensating for the impact by replacing or providing comparable substitute water quality resource areas or habitat conservation areas.
- ~~(hh)~~ (gg) "Mixed use" means comprehensive plan or implementing regulations that permit a mixture of commercial and residential development.
- ~~(ii)~~ (hh) "Mixed-use development" includes areas of a mix of at least two of the following land uses and includes multiple tenants or ownerships: residential, retail and office. This definition excludes large, single-use land uses such as colleges, hospitals, and business campuses. Minor incidental land uses that are accessory to the primary land use should not result in a development being designated as "mixed-use development." The size

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sufficient to support and under normal circumstances do support a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs and similar areas.

Wetlands are those areas identified and delineated by a qualified wetland specialist as set forth in the 1987 Corps of Engineers Wetland Delineation Manual and the Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Western Mountains, Valleys and Coast Region (Version 2.0), (May 2010).

~~(ttt)~~ (sss) "Zoned capacity" means the highest number of dwelling units or jobs that are allowed to be contained in an area by zoning and other city or county jurisdiction regulations.

(Ordinance 97-715B, Sec. 1. Ordinance 98-721A, Sec. 1. Ordinance 98-730C, Sec. 10. Ordinance 00-839, Sec. 1. Ordinance 00-869A, Sec. 2; Ordinance 02-972A, Sec. 1; Ordinance 05-1077C, Sec. 6; Ordinance 10-1244B, Sec. 9.)

TITLE 11: PLANNING FOR NEW URBAN AREAS

3.07.1105 Purpose and Intent

The Regional Framework Plan calls for long-range planning to ensure that areas brought into the UGB are urbanized efficiently and become or contribute to mixed-use, walkable, transit-friendly communities. It is the purpose of Title 11 to guide such long-range planning for urban reserves and areas added to the UGB. It is also the purpose of Title 11 to provide interim protection for areas added to the UGB until city or county amendments to land use regulations to allow urbanization become applicable to the areas.

(Ordinance 99-818A, Sec. 3. Ordinance 02-969B, Sec. 11. Ordinance 10-1238A, Sec. 5. Ordinance 11-1252A, Sec. 1.)

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- (5) Show water quality resource areas, flood management areas and habitat conservation areas that will be subject to performance standards under Titles 3 and 13 of this chapter;
- (6) Be coordinated with the comprehensive plans and land use regulations that apply to nearby lands already within the UGB;
- (7) Include an agreement between or among the county and the city or cities and service districts that preliminarily identifies which city, cities or districts will likely be the providers of urban services, as defined at ORS 195.065(4), when the area is urbanized;
- (8) Include an agreement between or among the county and the city or cities that preliminarily identifies the local government responsible for comprehensive planning of the area, and the city or cities that will have authority to annex the area, or portions of it, following addition to the UGB;
- (9) Provide that an area added to the UGB must be annexed to a city prior to, or simultaneously with, application of city land use regulations to the area intended to comply with subsection (c) of section 3.07.1120; and
- (10) Be coordinated with schools districts, including coordination of demographic assumptions.

B-(d) Concept plans shall guide, but not bind:

- (1) The designation of 2040 Growth Concept design types by the Metro Council;
- (2) Conditions in the Metro ordinance that adds the area to the UGB; or
- (3) Amendments to city or county comprehensive plans or land use regulations following addition of the area to the UGB.

C-(e) If the local governments responsible for completion of a concept plan under this section are unable to reach agreement on a concept plan by the date set under subsection (a), then the Metro Council may nonetheless add the area to the UGB if necessary to fulfill its responsibility under ORS 197.299 to ensure the UGB has sufficient capacity to accommodate forecasted growth.

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coordination with affected school districts. This requirement includes consideration of any school facility plan prepared in accordance with ORS 195.110;

- (6) Provision for the amount of land and improvements needed, if any, for public park facilities sufficient to serve the area added to the UGB in coordination with affected park providers.
 - (7) A conceptual street plan that identifies internal street connections and connections to adjacent urban areas to improve local access and improve the integrity of the regional street system. For areas that allow residential or mixed-use development, the plan shall meet the standards for street connections in the Regional Transportation Functional Plan;
 - (8) Provision for the financing of local and state public facilities and services; and
 - (9) A strategy for protection of the capacity and function of state highway interchanges, including existing and planned interchanges and planned improvements to interchanges.
- (d) The county or city responsible for comprehensive planning of an area shall submit to Metro a determination of the residential capacity of any area zoned to allow dwelling units, using the method ~~in~~ section 3.07.120 identified in Metro's Goal 14 analysis, within 30 days after adoption of new land use regulations for the area.

(Ordinance 98-772B, Sec. 2. Ordinance 99-818A, Sec. 3. Ordinance 01-929A, Sec. 8. Ordinance 02-964, Sec. 5. Ordinance 05-1077C, Sec. 6. Ordinance 05-1089A, Sec. 2. Ordinance 07-1137A, Sec. 3. Ordinance 10-1238A, Sec. 5. Ordinance 11-1252A, Sec. 1.)

3.07.1130 Interim Protection of Areas Added to the UGB

Until land use regulations that comply with section 3.07.1120 become applicable to the area, the city or county responsible for planning the area added to the UGB shall not adopt or approve:

- (a) A land use regulation or zoning map amendment that allows higher residential density in the area than allowed by regulations in effect at the time of addition of the area to the UGB;

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- (b) A land use regulation or zoning map amendment that allows commercial or industrial uses not allowed under regulations in effect at the time of addition of the area to the UGB;
- (c) A land division or partition that would result in creation of a lot or parcel less than 20 acres in size, except for public facilities and services as defined in section 3.07.1010 of this chapter, or for a new public school;
- (d) In an area designated by the Metro Council in the ordinance adding the area to the UGB as Regionally Significant Industrial Area:
 - (1) A commercial use that is not accessory to industrial uses in the area; and
 - (2) A school, a church, a park or any other institutional or community service use intended to serve people who do not work or reside in the area.

(Ordinance 98-772B, Sec. 2. Ordinance 99-818A, Sec. 3. Ordinance 10-1238A, Sec. 5. Ordinance 11-1252A, Sec. 1.)

3.07.1140 Applicability

~~Section 3.07.1110 becomes applicable on December 31, 2011.~~

~~(Ordinance 772B, Sec. 2. Amended by Ordinance 99-818A, Sec. 3; Ordinance 10-1238A, Sec. 5; Ordinance 11-1252A, Sec. 1.)~~

Title 12: Protection of Residential Neighborhoods

3.07.1210 Purpose and Intent

Existing neighborhoods are essential to the success of the 2040 Growth Concept. The intent of Title 12 of the Urban Growth Management Functional Plan is to protect the region's residential neighborhoods. The purpose of Title 12 is to help implement the policy of the Regional Framework Plan to protect existing residential neighborhoods from air and water pollution, noise and crime and to provide adequate levels of public services.

(Ordinance 02-969B, Sec. 3.)

3.07.1220 Residential Density

Metro shall not require any city or county to authorize an increase in the residential density of a single-family

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neighborhood in an area mapped solely as ~~an Inner or Outer Neighborhood pursuant to Metro Code Section 3.07.130 prior to May 22, 2002.~~

(Ordinance 02-969B, Sec. 3.)

3.07.1230 Access to Commercial Services

- (a) In order to reduce air pollution and traffic congestion, and to make commercial retail services more accessible to residents of ~~Inner and Outer~~ Neighborhoods, a city or county may designate in its comprehensive plan and land use regulations one or more Neighborhood Centers within or in close proximity to Inner and Outer Neighborhoods to serve as a convenient location of commercial services.
- (b) To ensure that commercial development serves the needs of the residents of ~~Inner and Outer~~ Neighborhoods but does not generate excessive traffic, noise or air pollution, a city or county that designates a Neighborhood Center shall adopt limitations on the scale of commercial services in Neighborhood Centers. In a Neighborhood Center, a city or county shall not approve:
 - (1) A commercial retail use with more than 20,000 square feet of gross leasable area in a single building; or
 - (2) Office commercial uses with more than 10,000 square feet of gross leasable area in a single building or on a single lot or parcel.

(Ordinance 02-969B, Sec. 3.)

3.07.1240 Access to Parks and Schools

- (a) Each city and county shall, within two years following adoption by the Metro Council of a process and criteria for such standards, establish a level of service standard for parks and greenspaces that calls for a park facility within a specified distance of all residences.
- (b) To make parks and greenspaces more accessible to residents of ~~Inner and Outer~~ Neighborhoods and all residents of the region, each city and county shall provide for access to parks and greenspaces by walking, biking and transit, where transit is available or planned.

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dispute resolution process, consistent with state law.

- (h) Reducing Regional Density and Capacity Requirements to Allow Habitat Protection.
- (1) Notwithstanding the provisions of Metro Code Section 3.07.12040(A)(2), cities and counties may approve a subdivision or development application that will result in a density below the minimum density for the zoning district if:
- (A) The property lot or parcel was within the Metro UGB on January 1, 2002;
 - (B) An area of the property lot or parcel to be developed has been identified as regionally significant fish and wildlife habitat on the Metro Inventory Map or as a significant resource on a local Goal 5 riparian, wetlands, or wildlife resource inventory map that had been acknowledged by the LCDC prior to December 28, 2005; and
 - (C) Such a decision will directly result in the protection of the remaining undeveloped regionally significant fish and wildlife habitat or significant resource located on the property lot or parcel, such as via a public dedication or a restrictive covenant.
- (2) The amount of reduction in the minimum density requirement that may be approved under this subsection (h) of this section shall be calculated by subtracting the number of square feet of regionally significant fish and wildlife habitat or significant resource that is permanently protected under subsection (h)(1)(C) of this section from the total number of square feet that the city or county otherwise would use to calculate the minimum density requirement for the property.
- (3) If a city or county approves a subdivision or development application that will result in a density below the minimum density for the zoning district pursuant to subsection (h)(1) of this section, then such city or county shall:
- (A) Be permitted an offset against the capacity specified for that city or county in Table 3.07-1 of the Metro Code. The amount of such offset shall be calculated by subtracting the

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(i.e., producing, distributing, selling or servicing goods);

- 3) Draws service recipients (e.g., students, patients) from all reaches of the region and beyond;
 - 4) Relies on capital infrastructure that is so large or specialized as to render its relocation infeasible; and
 - 5) Has a long-term campus master plan that has been approved by the city or county in which it is located.
- (5) Cross-Referencing Habitat Class With Urban Development Value. City and county verification of the locations of High, Moderate, and Low Habitat Conservation Areas shall be consistent with Tables 3.07-13a and 3.07-13b.

(Ordinance 05-1077C, Section 5.)

3.07.1350 Claims Pursuant to ORS ~~197.352~~195.305-(Ballot Measure-~~3749~~)

- (a) The purpose of this section is to provide for Metro to accept potential liability for claims filed against cities and counties pursuant to ORS ~~197.352~~195.305 (Ballot Measure-~~3749~~) as a result of the cities' and counties' good faith implementation of Metro Code Sections 3.07.1310 through 3.07.1370. As a corollary of accepting financial and administrative responsibility for these claims, Metro seeks the authority and cooperation of cities and counties in the evaluation and settlement of claims.
- (b) Provided that cities and counties meet the requirements set out below, Metro shall indemnify a city or county for any claim made against a city or county based on its implementation of the requirements of Metro Code Sections 3.07.1310 through 3.07.1370. In order to receive the benefits of this provision, a city or county must:
 - (1) Upon receipt of a written demand for compensation pursuant to ORS ~~197.352~~195.305, from an owner of private real property located within its jurisdiction alleging that a comprehensive plan amendment or land use regulation adopted or relied upon to comply with the requirements of this title

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reduces the fair market value of the property, a city or county shall forward a copy of the demand to Metro no later than seven (7) days following receipt of the demand;

- (2) Reasonably cooperate with Metro throughout Metro's consideration and disposition of the claim, including promptly providing Metro with any information related to the property in question, to an assessment of its fair market value, or to the city's or county's adoption of the comprehensive plan amendment or land use regulation that is the basis of the demand made pursuant to ORS ~~197.352~~195.305; and
- (3) Substantially concur with Metro's recommendation regarding disposition of the claim, which disposition may include, but not be limited to, a cash payment or other compensation, a decision to modify, remove, or not apply the regulation, dismissal of the claim, and the imposition of appropriate conditions. Metro shall forward to the city or county Metro's recommended disposition of the claim within 120 days of Metro's receipt of notice of the claim from the city or county; provided, however, that if Metro does not provide such recommendation within the 120 day deadline then the city or county may dispose of the claim as it determines appropriate and Metro will neither indemnify the city or county for the claim nor use the city's or county's decision on the claim as a basis for finding that the city or county is not in compliance with this title. A city or county may also satisfy this requirement by entering into an intergovernmental agreement with Metro in order to grant Metro sufficient authority to implement, on the city or county's behalf, Metro's recommendation regarding the disposition of the claim.

(Ordinance 05-1077C, Section 5.)

3.07.1360 Program Objectives, Monitoring and Reporting

This section describes the program performance objectives, the roles and responsibilities of Metro, cities, counties, and special districts in regional data coordination and inventory maintenance, monitoring and reporting, and program evaluation.

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TITLE 14: URBAN GROWTH BOUNDARY

3.07.1405 Purpose

The Regional Framework Plan (RFP) calls for a clear transition from rural to urban development, an adequate supply of urban land to accommodate long-term population and employment, and a compact urban form. Title 14 prescribes criteria and procedures for amendments to the urban growth boundary (UGB) to achieve these objectives.

(Ordinance 10-1244B, Sec. 12.)

3.07.1410 Urban Growth Boundary

- (a) The UGB for the metropolitan area is incorporated into this title and is depicted on the Urban Growth Boundary and Urban and Rural Reserves Map. Cities and counties within the Metro boundary shall depict the portion of the UGB, if any, that lies within their boundaries on their comprehensive plan maps. Within 21 days after acknowledgment of an amendment to the UGB under this title, the COO shall submit the amended UGB to the city and county in which the amended UGB lies. The city and county shall amend their comprehensive plan maps to depict the amended UGB within one year following receipt of the amendment from the COO.
- (b) Urban and Rural Reserves are depicted on the Urban Growth Boundary and Urban and Rural Reserves Map. Amendments to the UGB made pursuant to this title shall be based upon this map.

(Ordinance 10-1244B, Sec. 12. Ordinance 11-1264B, Sec. 3.)

Title 14 Urban Growth Boundary Map as of October 29, 2014

(Ordinance 14-1336.)

3.07.1420 Legislative Amendment to UGB - Procedures

- (a) Legislative amendments follow periodic analysis of the capacity of the UGB and the need to amend it to accommodate long-range growth in population and employment. The Metro Council shall initiate a legislative amendment to the UGB when required by state law and may initiate a legislative amendment when it determines there is a need to add land to the UGB.

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must demonstrate compliance with this purpose and these limitations.

- (b) The applicant shall demonstrate that the proposed amendment to the UGB will provide for an orderly and efficient transition from rural to urban land use and complies with the criteria and factors in subsections (b)B, (c)C, D(d), E(e), and F(f) and ~~G~~ of section 3.07.1425. The applicant shall also demonstrate that:
- (1) The proposed uses of the subject land would be compatible, or through measures can be made compatible, with uses of adjacent land;
 - (2) If the amendment would add land for public school facilities, the coordination required by subsection (c) (5) of section 3.07.1120 of this chapter has been completed; and
 - (3) If the amendment would add land for industrial use pursuant to section 3.07.1435, a large site or sites cannot reasonably be created by land assembly or reclamation of a brownfield site.
- (c) If the application was filed under section 3.07.1435, the applicant shall demonstrate that the amendment is consistent with any concept plan for the area developed pursuant to section 3.07.1110 of this chapter.
- (d) To facilitate implementation of the Metropolitan Greenspaces Master Plan of 1992, the Council may add land to the UGB in a trade that removes a nearly equal amount of land from the UGB. If the Council designates the land to be added for housing, it shall designate an appropriate average density per net developable acre.

(Ordinance 10-1244B, Sec. 12.)

3.07.1445 Minor Adjustments - Procedures

- (a) Minor adjustments make small changes to the UGB so that land within the UGB functions more efficiently and effectively. A city, a county, a special district, Metro or a property owner may initiate a minor adjustment to the UGB by filing an application on a form provided by Metro. The application shall include a list of the names and addresses of owners of property within 100 feet of the land involved in the application. The application shall also include the positions on the application of appropriate local governments and special

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cumulatively, are consistent with and help achieve the 2040 Growth Concept.

(Ordinance 10-1244B, Sec. 12.)

3.07.1455 Conditions of Approval

- (a) Land added to the UGB pursuant to sections 3.07.1420, 3.07.1430 and 3.07.1435 shall be subject to the requirements of sections 3.07.1120 and 3.07.1130 of this chapter.
- (b) If the Council amends the UGB pursuant to sections 3.07.1420, 3.07.1430 or 3.07.1435, it shall:
 - (1) In consultation with affected local governments, designate the city or county responsible for adoption of amendments to comprehensive plans and land use regulations to allow urbanization of each area added to the UGB, pursuant to Title 11 of this chapter. If local governments have an agreement in a concept plan developed pursuant to Title 11 that establishes responsibility for adoption of amendments to comprehensive plans and land use regulations for the area, the Council shall assign responsibility according to the agreement.
 - (2) Establish the 2040 Growth Concept design type designations applicable to the land added to the UGB, including the specific land need, if any, that is the basis for the amendment. If the design type designation authorizes housing, the Council shall designate an appropriate average density per net developable acre consistent with the need for which the UGB is expanded.
 - (3) Establish the boundaries of the area that shall be included in the planning required by Title 11. A planning area boundary may include territory designated urban reserve, outside the UGB.
 - (4) Establish the time period for city or county compliance with the requirements of Title 11, which shall be two (2) years following the effective date of the ordinance adding the area to the UGB unless otherwise specified.
- (c) If the Council amends the UGB pursuant to any of the sections ~~3.07.1420, 3.07.1430 or 3.07.1435~~ of this title, it may establish other conditions it deems necessary to ensure the addition of land complies with

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the Regional Framework Plan. If a city or county fails to satisfy a condition, the Council may enforce the condition after following the notice and hearing process set forth in section 3.07.850 of this chapter.

(Ordinance 10-1244B, Sec. 12.)

3.07.1460 Fees

- (a) Each application submitted by a property owner or group of property owners pursuant to this title shall be accompanied by a filing fee in an amount to be established by the Council. Such fee shall not exceed Metro's actual cost to process an application. The fee may include administrative costs, the cost of a hearings officer and of public notice.
- (b) The fee for costs shall be charged from the time an application is filed through mailing of the notice of adoption or denial to the Department of Land Conservation and Development and other interested persons.
- (c) Before a hearing is scheduled, an applicant shall submit a fee deposit. In the case of an application for a minor adjustment pursuant to section 3.07.1445, the applicant shall submit the fee deposit with the application.
- (d) The unexpended portion of an applicant's deposit, if any, shall be returned to the applicant at the time of final disposition of the application. If hearings costs exceed the amount of the deposit, the applicant shall pay to Metro an amount equal to the costs in excess of the deposit prior to final action by the Council.
- (e) The Council may, by resolution, reduce, refund or waive the fee, or portion thereof, if it finds that the fee would create an undue hardship for the applicant.

(Ordinance 10-1244B, Sec. 12.)

3.07.1465 Notice Requirements

- (a) For a proposed legislative amendment under section 3.07.1420, the COO shall provide notice of the public hearing in the following manner:
 - (1) In writing to the Department of Land Conservation and Development and local governments of the Metro region at least 4535 days before the first public hearing on the proposal; and

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- (2) To the general public at least 4535 days before the first public hearing by an advertisement no smaller than 1/8-page in a newspaper of general circulation in the Metro area and by posting notice on the Metro website.
- (b) For a proposed major amendment under sections 3.07.1430 or 3.07.1435, the COO shall provide notice of the hearing in the following manner:
- (1) In writing at least 4535 days before the first public hearing on the proposal to:
 - (A) The applicant;
 - (B) The director of the Department of Land Conservation and Development;
 - (C) The owners of property that is being considered for addition to the UGB; and
 - (D) The owners of property within 250 feet of property that is being considered for addition to the UGB, or within 500 feet of the property if it is designated for agriculture or forestry pursuant to a statewide planning goal;
 - (2) In writing at least 30 days before the first public hearing on the proposal to:
 - (A) The local governments of the Metro area;
 - (B) A neighborhood association, community planning organization, or other organization for citizen involvement whose geographic area of interest includes or is adjacent to the subject property and which is officially recognized as entitled to participate in land use decisions by the cities and counties whose jurisdictional boundaries include or are adjacent to the site, and to any other person who requests notice of amendments to the UGB; and
 - (3) To the general public by posting notice on the Metro website at least 30 days before the first public hearing on the proposal.
- (c) The notice required by subsections (a) and (b) of this section shall include:
- (1) A map showing the location of the area subject to the proposed amendment;

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- (2) The time, date and place of the hearing;
 - (3) A description of the property reasonably calculated to give notice as to its actual location, with street address or other easily understood geographical reference if available;
 - (4) A statement that interested persons may testify and submit written comments at the hearing;
 - (5) The name of the Metro staff to contact and telephone number for more information;
 - (6) A statement that a copy of the written report and recommendation of the COO on the proposed amendment will be available at reasonable cost 20 days prior to the hearing; and
 - (7) A general explanation of the criteria for the amendment, the requirements for submission of testimony and the procedure for conduct of hearings;
 - (8) For proposed major amendments only:
 - (A) An explanation of the proposed boundary change;
 - (B) A list of the applicable criteria for the proposal; and
 - (C) A statement that failure to raise an issue at the hearing, orally or in writing, or failure to provide sufficient specificity to afford the decision maker an opportunity to respond to the issue precludes an appeal based on the issue.
 - (9) For the owners of property described in subsection (b) (1) (C) of this section, the information required by ORS 268.393(3).
- (d) For a proposed minor adjustment under section 3.07.1445, the COO shall provide notice in the following manner:
- (1) In writing to the director of the Department of Land Conservation and Development at least 4535 days before the issuance of an order on the proposal;
 - (2) In writing at least 20 days before the issuance of an order on the proposal to:
 - (A) The applicant and the owners of property subject to the proposed adjustment;

2015 URBAN GROWTH MANAGEMENT DECISION:

RECOMMENDATIONS TO THE METRO COUNCIL
FROM METRO'S CHIEF OPERATING OFFICER

JULY 2015



I am pleased to present my recommendations to the Metro Council for the 2015 urban growth management decision. These recommendations build on the foundation of the Portland metropolitan region's long-range plan, the 2040 Growth Concept, which underlies the remarkable successes our region has achieved in creating livable and prosperous communities. However, the very success of our local and regional growth management efforts has created new challenges that demand a fresh approach.

In July 2014, Metro released the draft Urban Growth Report, which assesses the capacity of the region’s urban growth boundary (UGB) to accommodate housing and jobs for the next 20 years. Since then, the debate over this urban growth management decision has been characterized by three prevailing factors. Taken together, these factors suggest that the future will not look like the past. Each specific issue that has arisen during this debate – from the development capacity of Damascus to the amount of forecast multifamily housing – has been shaped by these larger factors that frame my recommendations:

Economic Changes

Our region has emerged from the Great Recession and is experiencing significant employment and population growth. However, the recession and the rebound are different from any in the past. In employment, our local economy is creating strong growth in both upper-income and lower-income jobs, while middle-income jobs – those that form the backbone of our economic prosperity – are declining as a share of total employment. In housing, the region is experiencing an



unprecedented level of multifamily housing construction both within the central city of the region and in regional and town centers throughout the region. Additionally, in some parts of the region, housing prices and rents are rising much faster than inflation, creating concerns for both affordability and livability as neighbors respond to the impacts of redevelopment.

These two factors taken together – the loss of middle-income jobs and changes in the housing market – are identified by the draft Urban Growth Report and are happening in cities around the country. The public, stakeholders and regional elected leaders have expressed concern about the future our region faces if these two trends continue. I recommend that the Council view these trends as a call to action. The Metro Council already has initiatives around housing and economic development, and your leadership is essential for ensuring that they are successful.

Legal and Political Factors

In 2011, the Metro Council and Clackamas, Multnomah and Washington counties jointly designated urban and rural reserve areas, which identify the areas that may or may not be urbanized for the next 50 years. That decision has been subject to litigation and to legislation. In 2014, the Oregon Legislature passed House Bill 4078, which modified and then enacted the reserves for Washington County. However, the same bill directed the Land Conservation and Development Commission (LCDC) to address the issues identified by the Oregon Court of Appeals for some of the areas in Clackamas and Multnomah counties. Earlier this year, LCDC remanded these portions of the 2011 decision to Metro and the two counties for further work.

This remand means that the urban reserve areas in Clackamas and Multnomah counties are not legally acknowledged for expansion of the UGB. Making this unique circumstance even more complicated, one of the key jurisdictions completing concept planning – a requirement of the Metro Code for including land in the UGB – is in an area of Clackamas County adjacent to the City of Wilsonville that has been designated as an urban reserve.

In addition to urban and rural reserves, the unsettled status of the City of Damascus has also been debated in the context of the draft Urban Growth Report. A joint meeting between the Damascus City Council and the Metro Council has shaped this recommendation.

Regional Policies

In 2010 the Metro Council and regional leaders agreed on six desired outcomes for our communities and region, with the purpose of focusing our decisions and actions on things that really matter in our everyday lives.

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

The draft Urban Growth Report, taken together with other major regional policy agreements such as the Climate Smart Strategy, the Regional Transportation Plan update, the Active Transportation Plan and the Regional Conservation Strategy (adopted by the Intertwine Alliance), reveals that the region is making progress toward achieving those six desired regional

Who has a role in managing growth?

The private sector redevelops and renews existing areas and builds new communities according to the plans developed by cities and counties. The private sector also starts and grows businesses that create jobs.

Local governments develop comprehensive plans to guide future land use and development to keep communities livable as the region grows. Cities and counties make investments in infrastructure and amenities to create great communities and support job growth.

Metro manages the Portland region's urban growth boundary and is responsible for providing a 20-year supply of land for future residential development and employment inside the boundary. Metro makes transportation and natural area investments to create great communities, support job growth and protect the environment that underlies our region’s livability.

The State of Oregon sets the rules for how the region makes growth management decisions and ensures that those decisions are consistent with state law.

outcomes. Additionally, the Urban Growth Report reveals that the plans adopted by cities and counties in the region are being implemented by private and public sector investment, thereby creating vibrant downtowns, strong job corridors, healthy and safe neighborhoods, parks and trails, and many other assets that make this region a great place to live and work. These investments are also protecting our resource lands, natural areas and environmental quality.

In other words, plans and policies adopted at the regional and local levels – from the 2040 Growth Concept to the city and county plans that implement it – have provided the foundation for investment, and that investment is enabling us to manage growth as we have planned. While there is clearly still work to be done – for example, in housing affordability, job creation, addressing disadvantaged communities and responding to traffic congestion – the Urban Growth Report illustrates that strong local plans followed by strong investment are helping the region grow while protecting its quality of life.

Taken together, these three factors suggest that the region’s future will reflect not merely a continuation of past trends, but rather significant changes in the trajectories of population growth, demographic change, workforce composition, and housing development. Accordingly, this recommendation also represents a departure from past urban growth management decisions and does not necessarily create a precedent for future decisions. Rather, it is grounded in the realities of the present and our current understanding of what will happen over the coming two decades, and represents my best understanding of how to meet the needs our region faces at this time.

BACKGROUND ON URBAN GROWTH MANAGEMENT PROCESS TO DATE

2014 URBAN GROWTH REPORT

The Urban Growth Report is our region’s periodic assessment of whether there is enough space for new housing and jobs inside the UGB, the mapped line that separates urban uses from rural uses such as farms and forests. The Council accepted a draft Urban Growth Report in December 2014 as a basis for further discussion of key policy questions.

The 2014 Urban Growth Report is the product of the most transparent growth management process Metro has led to date. External public and private sector experts provided guidance on our population and employment forecast, assumptions about how different types of jobs use space, the buildable land inventory and how much of that inventory may be viable over the next 20 years.

That careful analysis has shown that, when it comes to preparing for more housing and jobs, the region’s fundamental challenge is how we adequately invest in public facilities and services to support community goals.

2015 PROCESS DECISION

Should a UGB expansion be warranted, the region's intent is to utilize urban reserves for that expansion. Yet in January 2015, the state Land Conservation and Development Commission, in response to an Oregon Court of Appeals ruling, remanded parts of the region's urban and rural reserves in Clackamas and Multnomah counties. This remand has implications for the Council's urban growth management decision: it means that the Council does not have all of the region's reserves available for consideration if it did determine that there is a need for a UGB expansion.

It is expected that resolution of this remand will take at least one year. With that in mind, the Council, at its February 17, 2015 work session, directed staff to proceed with a revised urban growth management work program. The revised work program leads to a Metro Council process decision in fall 2015, choosing one of two options:

Option 1: conclude the urban growth management decision in 2015, prior to resolution of urban reserves.

Option 2: request an extension from the state for the urban growth management decision to wait for the resolution of urban reserves and to allow for additional discussion of housing needs.

In the revised work program, the Council stated its intent to engage in several policy discussions in the spring. The topics that were discussed by the Metro Council, MPAC and MTAC during the spring of 2015 included:

- The likelihood of residential development in urban centers such as those in Portland
- The likelihood of residential development in urban growth boundary expansion areas, including Damascus
- Planning within a range forecast for population and employment growth

COUNCIL DIRECTION AT THE JUNE 25, 2015 WORK SESSION

Based on the input received on the three topics listed above, the Council indicated a desire to conclude its urban growth management decision this year at its June 25, 2015 work session. The Council also indicated its intent to have staff complete a new Urban Growth Report in the next three years – sooner than required under the law – but only if urban and rural reserves have been acknowledged. Aside from indicating confidence in the analysis in the draft Urban Growth Report, the Council cited two practical reasons for this direction:

- Urban and rural reserves are not yet acknowledged. The region needs to finalize urban and rural reserves before devoting more time to discussing whether there is a need for a UGB expansion into urban reserves, which until reserves are finalized would be a strictly academic discussion.
- Asking for an extension from the state creates a situation where the data and analysis in the draft 2014 Urban Growth Report would become outdated.

SUMMARY OF CHIEF OPERATING OFFICER RECOMMENDATIONS

Based on discussion of the Metro Council in the past year, I recommend seven actions, described in more detail in subsequent sections. These recommendations are also listed in the draft Ordinance. I recommend that the Metro Council:

2015 Urban Growth Management Decision

1. Decide not to expand the UGB. As discussed below, neither the population growth forecast nor the employment forecast of the draft Urban Growth Report warrant adding new land supply. As directed by the Council, I discuss options for choosing a point in the range forecast for population, considering the issues you identified at your June 25 work session.
2. Begin the next urban growth management cycle sooner than required by Oregon law, but not until urban and rural reserves have been acknowledged in all three counties in the region. Assuming urban and rural reserves are acknowledged in a timely fashion, I recommend we issue the next draft Urban Growth Report in the summer of 2017 with Council consideration of the report by the end of 2017 and a growth management decision by the end of 2018.
3. Work with Multnomah and Clackamas counties to complete our work on the remand of urban and rural reserves so that LCDC can legally acknowledge these reserves prior to the next urban growth management cycle.

Continue Metro's Leadership in Growth Management Policy

4. Explore evolving the urban growth management process to provide additional certainty to the region, counties, cities and stakeholders. This discussion should not take place until urban and rural reserves are acknowledged, but it should occur before Metro begins the next Urban Growth Report.

Address the Public Policy and Program Issues Raised by the Draft Urban Growth Report

5. Shift the region's episodic focus on housing, job growth and mobility to an ongoing effort.
6. Continue to implement the Council's strategic goals for middle and upper income job growth.
7. Continue to invest in implementing regional and local plans.

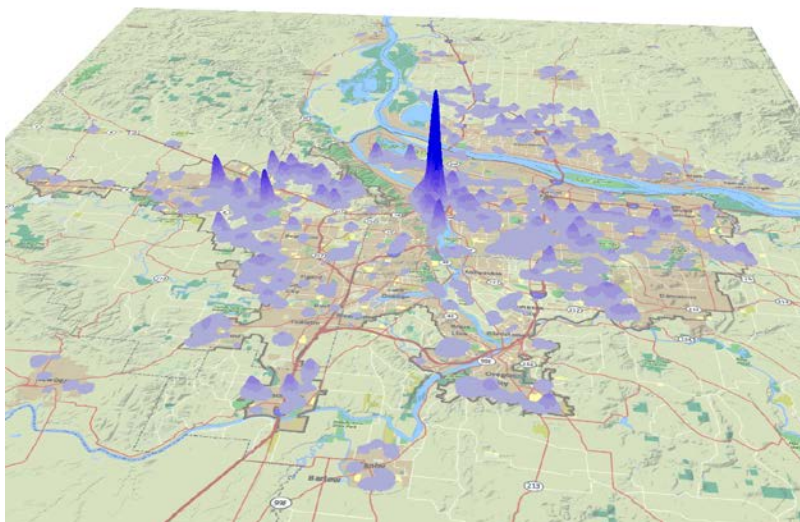
RECOMMENDATION ONE: DECIDE THAT NO URBAN GROWTH BOUNDARY DECISION IS WARRANTED IN 2015

The draft 2014 Urban Growth Report found that adopted city and county plans give the region the ability to accommodate anticipated housing and job growth inside the existing UGB. After the last several months of discussion, the Council has indicated that they believe that is still a valid conclusion. The Council has expressed confidence in adopted county and city plans – the same plans that the region recently endorsed in Climate Smart Communities. To implement this direction, **I recommend that the Council conclude that there is currently no regional need to expand the UGB.** Following is a summary of my reasoning for my recommendation.

LIKELIHOOD OF DEVELOPMENT IN URBAN CENTERS, SUCH AS THOSE IN PORTLAND

This spring, the Metro Council and MPAC both devoted several meetings to the topic of development in urban centers. The resurgence we have witnessed in downtowns such as those in Portland is happening all over the country. Right now, there is a great deal of residential construction happening in these locations. There will be ups and downs with economic cycles, but a number of factors lead me to conclude that when growth cycles do occur, most of the region's new residential construction will be in urban areas. Those reasons include demographic, infrastructure finance, policy and market factors. This outcome is strongly supported by the public's direction to Metro to protect farms and forests by focusing most new housing in existing downtowns and along transportation corridors.

MAP 1: PERMITS FOR NEW HOUSING (1998-2014)



- There is strong market demand for walkable locations such as those found in and near existing downtowns and transportation corridors. This is reflected in the price premiums that people are placing on these locations. Higher land values in these locations make it more likely that redevelopment and infill will occur.
- Demographic and economic factors favor apartments, condos and single-family attached housing.
 - Two-thirds of the region's new households will include one or two people¹
 - Smaller households means fewer wage-earners per household
 - An aging population means there will be more retiree-led households²
 - Partly because of low wages and high levels of student debt, the millennial generation is forming independent households at a slower rate than previous generations³
- State rules implementing the land use program in our region require that most of each city's growth capacity be for multifamily housing or attached single-family housing. Recent market demand for these types of housing has been strong in downtowns and along transportation corridors.

¹ Metro (2014). *Draft 2014 Urban Growth Report Appendix 4*, p. 14.

² Ibid.

³ Joint Center for Housing Studies of Harvard University, (2015). *The State of the Nation's Housing 2015*. Boston, MA. Retrieved June 26, 2015, from: <http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/jchs-sonhr-2015-full.pdf>

- The federal funding that facilitated greenfield development in the post-World War II era is largely gone. This is one factor that has slowed the development of past urban growth boundary expansion areas, including expansion areas across the river in Clark County, Washington. This means that more growth will need to occur in our region’s urban locations.

Housing issues and opportunities

Metro is committed to tracking changes in residential preferences over time. The 2014 study showed strong preferences for single-family housing, but it also showed preferences for and walkable neighborhoods with amenities and services nearby. What is clear is that preferences are complex and sometimes difficult to reconcile. Metro and local jurisdictions will continue to have the challenge of balancing residential preferences with other priorities such as providing transportation options, preserving affordability, and making the most of scarce public funding for infrastructure.

There will be challenges in creating enough housing in many locations around the region, particularly for households with lower incomes. But, we have no evidence that simply adding more land to the UGB now would solve the region’s affordability challenges or address residential preferences. It is time for our region to move on from the land supply debate and consider actions that will:

- Improve wages
- Reduce transportation costs
- Provide a greater variety of housing choices that match people’s budgetary realities
- Make the most of land already inside the UGB

Metro’s Equitable Housing Initiative is aimed at making sure that the region’s communities remain affordable to all, but success will entail coordinated work by the public, for-profit and nonprofit sectors.

Metro’s Equitable Housing Initiative

Metro is committed to working with partners across the region to find opportunities for innovative approaches and policies that result in more people being able to find a home that meets their needs and income levels. The objectives identified to reach this goal include:

- Develop a shared understanding regarding best practices, needs and opportunities for collaboration.
- Develop and provide technical assistance to support local implementation of best practices to overcome barriers.
- Identify opportunities for partnerships to fill the financing gap for equitable housing development and preservation.
- Support equitable housing development and preservation through capacity building, technical assistance, policy development and funding partnerships.

*LIKELIHOOD OF DEVELOPMENT IN URBAN GROWTH BOUNDARY EXPANSION AREAS,
INCLUDING DAMASCUS*

On May 12, 2015, the Metro Council held a joint work session with the Damascus City Council. At the joint work session, the Damascus City Council stated that they believe residents are likely to vote for city disincorporation next year. Recent state legislation (House Bills 3084, 3085 and 3086) will facilitate that outcome with a simple majority vote. City councilors also said that, as a consequence, the western area of current city limits is likely to develop as portions annex to Happy Valley and other areas develop in unincorporated Clackamas County. The eastern area is likely to see little residential construction consistent with existing rural residential and exclusive farm use zoning designations.



Metro staff has worked with representatives from Damascus, Happy Valley and Clackamas County to estimate what this means from a growth capacity perspective. A summary of that technical work is included in Appendix 1. Generally, parties agree upon the following model assumptions:

- Reduce the land area assumed to be buildable in the next 20 years.
- Increase the assumed residential density for the area that is deemed buildable to reflect Damascus' draft urban zoning.
- Reduce the amount of land assumed developable for industrial and commercial employment to reflect Damascus' draft urban zoning.
- Speed up the assumed availability of the westernmost portions of the area for development in the City of Happy Valley.

Metro staff used its economic land use model to test 20-year market responses to these updated assumptions. In summary, the new assumptions produce small regional differences compared to the draft Urban Growth Report's conclusions. Using market principles and policy assumptions above, the model indicates these changes lead to about 2,000 fewer households and 3,500 fewer jobs locating in the Metro UGB. The balance of the displaced growth gets scattered around inside the existing urban growth boundary with no notable concentrations. Expected effects on multifamily housing shares and distributions around the region are modest as are regional effects on housing affordability. Expected effects on employment land prices are also minor.

PLANNING WITHIN A RANGE FORECAST FOR POPULATION AND EMPLOYMENT GROWTH

At the Council's direction, staff expressed the population and employment forecast as a range in the draft Urban Growth Report. This is intended to acknowledge uncertainty when looking 20 years into the future. However, the Council is ultimately required to choose a specific forecast point to complete its growth management and forecast coordination responsibilities. The Council will be asked to choose a point forecast as part of its urban growth management decision this fall. Based on that direction, staff will then complete a final Urban Growth Report and legal findings which the Council will need to adopt to complete its growth management decision. I recommend that the Council plan for the midpoint of the forecast range which is the most probable forecast.

Population growth

From a statistical standpoint, the midpoint of the forecast range has the highest probability. However, the Council has spent much of the last year hearing about the various challenges of producing housing in many locations, whether in downtowns or UGB expansion areas. Nevertheless, I believe that MPAC and Council discussions this spring generally led to the conclusion that regional population and household growth is likeliest to occur at about the midpoint of the forecast range since the factors that influence population growth are fairly stable and predictable (births, deaths and migration). In reaching my recommendation to plan for the midpoint of the range, I also considered factors that have been discussed this spring:

- There has been discussion of the potential for climate refugees, but there is a lack of data on whether this type of migration is already happening or when it may begin happening.
- Recent urban development activity is at historic levels. We can count on the fact that there will be ups and downs with economic cycles. Fundamentally, however, this activity is a sign that local and region plans and investments are working. I think it makes sense to show a vote of confidence in those plans and see little risk in doing so.
- Damascus appears likely to disincorporate in the next year and its western areas are likely to annex to Happy Valley. This appears to enhance the likelihood of growth in this location.
- We heard from staff that a new growth forecast conducted today would look similar to the one in the draft 2014 Urban Growth Report.
- These are the type of questions meant to be reviewed and revisited as part of our ongoing growth management process so we may need to adjust as these trends play out.

Employment growth

Consistent with my recommendation to plan for the midpoint of the population and household range forecasts, I recommend that the Council plan for the midpoint of the employment forecast range. This midpoint represents healthy job growth that is commensurate with the amount of population growth expected. MTAC and MPAC members expressed more divergent views on the employment forecast range, with some citing the need for setting higher aspirations for employment growth.

As the Council is aware, choosing a higher or lower employment forecast won't make it so. I suggest that policymakers focus on two particular economic challenges that would not be resolved by choosing a higher employment forecast or by adding land to the UGB:

- Creation of a greater share of middle-income jobs should be a priority.
- Particular focus should be given to job creation for the region's younger generation and populations of color, many of whom are underemployed or are struggling to get by.

My thoughts on this topic are included in Recommendation Number Six.

SUMMARY OF GROWTH CAPACITY RECOMMENDATION

Based on Council discussions to date, I recommend that the Council plan for the midpoint of the forecast range. For the 2015 to 2035 timeframe, I recommend that the Council plan for the following numbers of homes and jobs inside the existing UGB. These numbers reflect staff’s revised estimates of the growth capacity in the area now in the City of Damascus as summarized in Appendix 1:

- 195,500 new homes, consisting of:
 - 75,000 additional single-family homes
 - 120,500 multifamily homes
- 260,000 new jobs

If the Council concurs with this recommendation it would mean that, at this time, there is no need to expand the UGB for jobs or housing.

The midpoint I have recommended reflects a 1.12 percent annual average population growth rate for the 7-county area. However, the Council may wish to consider planning for lower or higher growth. If so, I recommend that the Council consider a narrower forecast range than what is presented in the draft Urban Growth Report since the narrower range around the midpoint has a higher probability than the outer ends of the forecast range. A “medium-low” forecast has a growth rate of 1.06 percent and a “medium-high” forecast has a growth rate of 1.18 percent. As noted, I recommend planning for a point in the range between these two forecasts. If directed by the Council, staff will conduct additional analysis of the implications of these alternative growth rates for land needs or surpluses. Staff will seek that direction at the September 15 Council work session. Staff will need that direction before completing a final Urban Growth Report for Council consideration this fall.

Housing needs

At the midpoint of the forecast range, there is a surplus of growth capacity for all housing types. Table 1 summarizes the numbers that lead to that conclusion and incorporate revised estimates of growth capacity in the City of Damascus.

TABLE 1: METRO UGB RESIDENTIAL NEEDS 2015 TO 2035 EXPRESSED IN DWELLING UNITS

	Dwelling units			
	Buildable land inventory	Market-adjusted supply	Market – adjusted demand	Surplus
Single-family housing	113,200	85,200	74,900	+10,300
Multifamily housing	274,100	130,900	120,500	+10,400

Notes:

- *The buildable land inventory has been adjusted to reflect Council discussions on the viability of Damascus. Compared to the draft Urban Growth Report, there are 3,876 fewer housing units of capacity included in the updated buildable land inventory. This is the net of 807 more units in mixed use zones and 4,683 fewer single-family units.*
- *As reflected in the market-adjusted supply, only a portion of the redevelopment and infill supply included in the buildable land inventory is deemed market-feasible over the next 20 years. This was also the case in the draft Urban Growth Report.*

Employment land needs

At the midpoint of the forecast range, there is a surplus of growth capacity for commercial and industrial employment. Table 2 summarizes the numbers that led to that conclusion and incorporates revised estimates of growth capacity in the City of Damascus.

TABLE 2: METRO UGB EMPLOYMENT LAND NEEDS 2015 TO 2035 EXPRESSED IN ACRES

	Acres			
	Buildable land inventory	Market-adjusted supply	Demand	Surplus
Commercial employment	3,750	3,950	3,570	+380
Industrial employment	6,800	4,690	3,700	+990

Notes:

- *The buildable land inventory has been adjusted to reflect Council discussions on the viability of Damascus. Compared to the draft Urban Growth Report, there are 510 fewer acres of industrial land and 450 fewer acres of commercial land included in the updated buildable land inventory. This is based on draft Damascus zoning concepts. Local policymakers may wish to consider other zoning designations to provide more employment land.*
- *Reflecting real market dynamic where commercial uses locate in industrial zones, the market adjustment shifts some of the region's industrial redevelopment supply into the commercial land supply. This was also the case in the draft Urban Growth Report.*
- *As reflected in the market-adjusted supply, only a portion of the redevelopment supply included in the buildable land inventory is deemed market-feasible over the next 20 years. This was also the case in the draft Urban Growth Report.*

Large industrial site needs

The region's economic development strategy focuses on several sectors whose anchor firms sometimes use large industrial sites (over 25 buildable acres). These firms are important because they often pay higher-than-average wages, export goods outside the region (bringing wealth back), produce spinoff firms and induce other economic activity in the region. However, forecasting the recruitment of new firms or growth of existing firms that use large industrial sites is challenging since these events involve the specialized decisions of individual firms.



Under the entire range of forecast possibilities presented in the draft Urban Growth Report, there is a surplus of large industrial sites already inside the UGB. As described in the draft Urban Growth Report, the region has a surplus of 40 to 66 of these large industrial sites. However, that does not mean that these sites are all ready to accommodate job growth. Existing sites typically require actions such as infrastructure provision, wetland mitigation, site assembly, brownfield cleanup, annexation by cities and

planning needed to make these sites development-ready.⁴ As described in Recommendation Number Six, I recommend that Metro continue to partner with other agencies and organizations to ensure that more of these sites become development-ready to meet the region’s economic development goals.

RECOMMENDATION TWO: COMPLETE THE NEXT URBAN GROWTH REPORT EARLIER THAN REQUIRED

Our region, like other metropolitan areas, is changing. People and businesses are returning to downtowns and main streets after decades of outward growth. Economic cycles of boom and bust will come and go, but there are several reasons – demographic shifts and infrastructure finance trends, to name two – to believe that when future growth does occur, much of it will be similar to what is happening in urban places like Orenco Station, Division Street, the Pearl District and the Lloyd District.

Recognizing this pace of change, the Council has directed staff to complete a new Urban Growth Report sooner than required by the law, but not until urban and rural reserves are acknowledged. Assuming urban and rural reserves are acknowledged in a timely fashion, I recommend we issue the next draft Urban Growth Report in the summer of 2017 with Council consideration of the report by the end of 2017 and a growth management decision by the end of 2018. During the intervening time, we can observe how housing and employment trends evolve coming out of the Great Recession.

While that work is happening, I also expect that cities that are interested in UGB expansion will do their part to complete concept plans for urban reserves. Metro remains committed to being a partner on those efforts, most tangibly in the Community Planning and Development Grant program that we administer. Metro has funded almost \$8 million in concept and comprehensive planning in the past and the Council reserved 25 to 30 percent of funds over the next six years to fund this work in the future.

RECOMMENDATION THREE: SEEK ACKNOWLEDGMENT OF URBAN AND RURAL RESERVES

After many years of discussion and litigation, the region needs to finalize urban and rural reserves and obtain acknowledgment of those designations from LCDC. Doing so is the best way to provide certainty about where the region may grow and where it won’t. Finalizing these designations will require the collaboration and agreement of many parties.

Metro has existing IGAs with Clackamas County and Multnomah County establishing the location of urban and rural reserves in those counties. In order to obtain final acknowledgement of those reserve areas, Metro must jointly adopt findings with each of these counties in response to the issues identified by the Court of Appeals. Also, all three entities must agree on findings addressing certain region-wide requirements, including findings that the amount of land designated as urban reserve is sufficient to provide a 50-year regional supply. In the absence of agreement among Metro and the two counties

⁴ The inventory of 74 large industrial sites inside the UGB exceeds potential demand for 8 to 34 sites. 24 of the 74 sites are currently held by existing firms for potential future building expansions. The inventory is from the Regional Industrial Site Readiness Inventory completed in 2014 by Business Oregon, Metro, NAIOP, the Oregon Department of Land Conservation and Development, the Portland Business Alliance and the Port of Portland.

regarding the existing reserve maps and revised findings, the only urban reserves in the region will be those located in Washington County.

Below is my suggested timeline for acknowledgment. This proposed timeline is contingent on Metro, the counties and other parties acting in good faith to respond to the specific issues that were remanded by the Oregon Court of Appeals. The urban reserves were adopted after an exhaustive public process of identifying the region's needs for housing and employment lands and ensuring a supply of land for our region that will last for the next 50 years. There is no basis for a reassessment of that analysis now, only four years later.

Metro and each county will need to undertake a public process that results in the adoption of ordinances with joint findings addressing the remand issues and region-wide standards. My recommendation is to begin the public process that will be required for the adoption of ordinances in October, and conclude by adopting ordinances and findings no later than the end of January. This timeframe should ensure that the reserve designations could be acknowledged by LCDC in 2016.

- October 2015 – begin public process
- November-December – hold public hearings and prepare revised findings
- January 2016 – adopt joint findings via ordinances and submit to LCDC

RECOMMENDATION FOUR: EXPLORE WAYS TO EVOLVE THE URBAN GROWTH
MANAGEMENT PROCESS TO PROVIDE ADDITIONAL CERTAINTY TO THE REGION,
COUNTIES, CITIES, AND STAKEHOLDERS

Our current urban growth management process was largely built during the era before urban and rural reserves. Acknowledgment of urban reserves – when complete – will represent an important milestone for our region and will change the way we manage growth going forward. Unlike the past, we will have already decided as a region where the region may grow for the next several decades. This will allow us to focus more on why we would need to add land supply to the UGB, and how rapidly.

Future growth management decisions may also need to consider qualitative factors that traditionally have not received as much attention as the “numbers game” of capacity, units and acres. For example, many of the stakeholders we have worked with during this growth management cycle wonder whether we should look at how their communities are performing – in supplying infrastructure, in making decisions and in being market-ready – in addition to looking at regional land need. The Metro Council has indicated that they are interested in looking at these factors, but to consider them when making growth management decisions would require that we change our process.

Building on the work that our region has done to identify urban and rural reserves – those places that the region will or won't develop over the next 50 years – I recommend that Metro convene its partners to discuss how we might allow for regional consideration of modest city requests for residential UGB expansions into urban reserves. But identification and implementation of any such system will require that the region first resolve the status of urban and rural reserves.

Evolving our growth management process should carry forward the Metro Council’s policy to take an outcomes-based approach, refocusing our dialogue on the ingredients needed to get housing built (city governance, infrastructure finance and market feasibility) and who would benefit from that housing, rather than divisive arguments about whether there is a regional or local need for land.

A first step would be to convene a regional discussion, perhaps involving the Metro Policy Advisory Committee (MPAC) or a subcommittee including key stakeholders. However, I recommend first getting urban and rural reserves acknowledged before convening this discussion. Below are some proposed guiding principles for how this system could work.

PROPOSED GUIDING PRINCIPLES FOR EVOLVING THE REGION’S GROWTH MANAGEMENT PROCESS FOR HOUSING

The following proposed guiding principles are for Council consideration though the Council does not necessarily need to come to an agreement on these at this time. Council’s decision will simply be whether to direct staff to begin a process to explore possible improvements to Metro’s growth management process once urban and rural reserves are acknowledged.

- Consistent with Oregon’s land use planning program, locally-adopted community plans and the public’s core values, the region remains committed to focusing most housing growth in its existing downtowns, main streets, corridors and station communities.
- Acknowledged urban reserves represent the maximum residential urban footprint for the region through the year 2060. Consistent with existing law, urban reserves will be revisited in 2031.
- Rural reserves will remain off limits to urban development through at least the year 2060.
- Carefully made residential UGB expansions into acknowledged urban reserves are consistent with the 2040 Growth Concept and can support its implementation. However, as growth management discussions and ongoing litigation illustrate, identifying a regional need for residential UGB expansions, as required under existing state law, is not a purely technical exercise.
- UGB expansion requests made by cities will be considered in a regional dialogue, with recommendations made by MPAC and decisions made by the Metro Council.
- UGB expansions into urban reserves will be considered based on the practical outcomes that they could produce for the region and requesting city. Policymakers will consider factors addressing topics such as governance, finance, market, housing choice and affordability.

RECOMMENDATION FIVE: SHIFT THE REGION’S EPISODIC FOCUS ON HOUSING, JOB GROWTH, AND CHANGE TO AN ONGOING DIALOGUE

Our region is approaching the halfway point for our regional vision, the 2040 Growth Concept, which laid out where housing and job growth should occur through 2040. Public support for the core values embodied in the plan remains strong. Nevertheless, we should all be aware of the challenges of implementing that vision, which is why I recommend that Metro monitor community development

trends on an ongoing basis. Using that information, Metro must continue to work with its partners to find innovative solutions to the challenges we see now and in the future.

This is one of the purposes of Metro’s Regional Snapshots program, which will be launched as a quarterly series beginning in September. The first installment of this series will focus on housing and can serve as an ongoing regional forum for identifying housing policy best practices. Subsequent quarterly themes will include transportation, jobs and community character and design before returning again to housing. These Regional Snapshots will use a variety of methods to bring forward the region’s challenges and opportunities in preparing for housing and job growth and are likely to include:

- Data on housing, job creation and transportation trends
- Case studies on community building efforts around the region
- Personal accounts of people from around the region
- Guest speakers at MPAC and other venues

In addition to monitoring and reporting on housing and job trends, Metro should continue to work with its partners to increase regional knowledge about housing market preferences through additional market research and analysis. While residential preferences are not the only objective that policymakers must address, it is an important, if complex, one. Policymakers should continue seeking solutions that find the balance between:

- Preferences for single-family homes
- Preferences for walkable communities with amenities nearby
- Strong public support for focusing most new housing in existing urban areas to protect farms and forests

Facilitating design innovations for new housing types holds potential. One design concept worth exploring is that of “missing middle housing⁵,” occupying that space between single-family homes and

What are Regional Snapshots?

A series of quarterly check-ins on how the greater Portland region is growing, changing and getting around. Each Snapshot seeks to illuminate issues that matter to people and businesses in the region, using data and relevant storytelling. It’s not a report card or a magazine story, but somewhere in between. It lives primarily online and is clickable and shareable.



⁵ See <http://missingmiddlehousing.com>

mid-rise housing. Examples include duplexes, townhomes, accessory dwelling units and courtyard housing. The region needs to explore how these less common housing types might provide desirable options for households of all types, whether 1- or 2-person, with children, lower-income or retiree.

Taken together, observing trends in the markets and researching housing preferences can inform the development of best practices for promoting housing that addresses challenges such as housing affordability. Metro’s current Equitable Housing Initiative is one example of such a program that is proceeding from a data-driven understanding of the current affordable housing situation to technical assistance delivery.

RECOMMENDATION SIX: CONTINUE TO IMPLEMENT THE COUNCIL’S STRATEGIC GOALS FOR MIDDLE AND UPPER INCOME JOB GROWTH

As noted earlier in my recommendations, choosing a higher or lower employment forecast won’t make it so. I suggest that policymakers focus on two particular economic challenges that would not be resolved by choosing a higher employment forecast or by adding land to the UGB:

- Creation of a greater share of middle-income jobs should be a priority.
- Particular focus should be given to job creation for the region’s younger generation and populations of color, many of whom are underemployed or are struggling to get by.

Solutions to these challenges are difficult and many extend beyond the influence of the Metro Council (from education and job training to improvements in global macroeconomic conditions). I recommend that Metro continue its strategic focus on projects, policies, programs and partnerships that enhance land readiness and improve mobility of people and goods.

Metro investments in family-wage jobs

Metro programs and activities are aligned to help the region create more family wage jobs.

PROJECTS

- RISE (Regional Infrastructure Supporting our Economy)
- Southwest Corridor and Powell Division Investment Areas
- Economic Value Atlas Initiative

POLICIES

- Past additions to the UGB for industrial land
- Protecting regionally significant employment areas from conflicting uses
- Freight and transit system planning

PROGRAMS

- Community Planning and Development Grants
- Metropolitan Transportation Improvement Program and Regional Flexible Funds
- Enterprising Places

PARTNERSHIPS

- Industrial Site Readiness Coalition
- Oregon Brownfields Coalition
- Greater Portland Inc 2020

RECOMMENDATION SEVEN: CONTINUE TO INVEST IN IMPLEMENTING REGIONAL AND LOCAL PLANS

A thread that weaves through many of our recent efforts – whether Climate Smart Communities or the Council’s urban growth management decision – is that we intend to implement existing community plans. It is incumbent on us to do this to meet carbon reduction goals, create walkable communities, and make sure there is enough housing and jobs to meet expected growth.



The next update of the Regional Transportation Plan comes on the heels of the region’s adoption of the Climate Smart Strategy. During that process, cities, counties and the region all agreed that investments are critical to implementing our community visions. The 2018 update of the Regional Transportation Plan is an opportunity for us to make good on those plans. Likewise, the Southwest Corridor Plan and planning for the Powell-Division Corridor provide opportunities for making investments that advance community and regional goals. With scarce resources, this region needs to make the most of what it has.

CONCLUSION

We are extremely fortunate to live in a region filled with great places and passionate people. Making decisions about the future of this place requires that we think deeply and listen carefully. It also requires that, while respecting the past, we squarely face the challenges and imperatives of the future.

With these thoughts in mind, I am pleased to make my recommendations, which represent my best judgment about how to embrace change while protecting the special qualities of this place we call home. I look forward to working with the Metro Council, with MPAC, with key stakeholders and with the people of our region as we consider these recommendations and conclude the 2015 urban growth management decision.

NEXT STEPS

These recommendations are intended to provide a framework for decision-making this fall. Following are some key dates for those discussions and decisions:

Dates are preliminary and subject to change

- July 28: Metro Council work session – discussion of Chief Operating Officer recommendation
- August 5: MTAC – discussion of Chief Operating Officer recommendation
- August 26: MPAC – discussion of Chief Operating Officer recommendation
- September 2: MTAC discussion (if needed)
- September 3: Metro Council work session (if needed)
- September 9: MPAC – recommendation to Metro Council
- September 15: Metro Council work session (provide direction to staff on point in range forecast and direction to finalize the Urban Growth Report and housing needs analysis based on that point forecast)
- September 24: First reading of ordinance and public hearing
- October 27: Proposed final Urban Growth Report available for review (reflecting point forecast)
- Dates TBD: Additional public hearings
- November 19: Metro Council adoption of final Urban Growth Report and legal findings

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE)	ORDINANCE NO. 15-1361
2015 URBAN GROWTH REPORT AND)	
COMPLYING WITH REGIONAL GROWTH)	Introduced by Martha J. Bennett, Chief
MANAGEMENT REQUIREMENTS UNDER)	Operating Officer, with the concurrence of
ORS 197.299 AND STATEWIDE PLANNING)	Tom Hughes, Council President
GOAL 14)	

WHEREAS, state law requires Metro to assess the capacity of the urban growth boundary (UGB) on a periodic basis and, if necessary, to increase the region’s capacity for housing and employment for the next 20 years; and

WHEREAS, to accomplish that task, Metro has prepared the 2015 Urban Growth Report (UGR), which forecasts the likely range of population and employment growth in the region to the year 2035; and

WHEREAS, the UGR also assesses the capacity of the UGB for housing and employment, assuming continuation of existing local and regional plans, policies and investment strategies, and determines that there is sufficient land capacity in the region for the next 20 years; and

WHEREAS, Metro released the UGR in draft form in July 2014 after more than a year of technical engagement with a working group of public and private sector experts; and

WHEREAS, after making some modifications to the draft UGR based on comments from stakeholders, in December 2014 the Metro Council accepted the draft UGR via Metro Resolution No. 14-4582 as a preliminary step toward formal adoption of the final UGR in 2015; and

WHEREAS, in Resolution No. 14-4582 the Metro Council identified certain policy components of the draft UGR warranting further discussion prior to adoption in 2015, including the likelihood of projected residential development in urban centers, the likelihood of development in the City of Damascus, and consideration of the range forecast for population and employment growth; and

WHEREAS, between February and June of 2015 the Metro Council and the Metro Policy Advisory Committee (MPAC) devoted multiple meetings to the policy components identified for further discussion in Resolution No. 14-4582; and

WHEREAS, after further discussion with MPAC and stakeholders, including a joint meeting with the Damascus City Council, the Metro Council concludes that the amount of land assumed to be developable in the City of Damascus should be reduced as described in the Recommendations to the Metro Council from Metro’s Chief Operating Officer dated July 2015 (COO Recommendations) and as reflected in the corresponding revisions to the UGR; and

WHEREAS, after further discussion with MPAC and stakeholders, the Metro Council concludes that current city and county comprehensive plans and codes provide the region with sufficient capacity to accommodate projected housing and job growth inside the existing UGB; and

WHEREAS, the COO Recommendations advise the Metro Council to select the midpoint of the forecast range for population and employment growth in the next 20 years, a point which presents the highest statistical probability of accuracy; and

WHEREAS, the work required to finalize the region's urban and rural reserve designations is ongoing, and will not be complete and acknowledged by the end of the current growth management cycle in 2015; and

WHEREAS, the rate and scale of development in the region has significantly increased in the last two years, suggesting movement out of the recession and into a new economic cycle; and

WHEREAS, the Metro Council believes the region would benefit from undertaking a new UGR analysis within the next three years, sooner than required under state law, in order to reassess the capacity of the UGB given current development trends and the possible disincorporation of the City of Damascus; and

WHEREAS, the Metro Council agrees with and accepts the COO Recommendations; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The 2015 Urban Growth Report is hereby adopted as support for the Metro Council's conclusion that there is no need to expand the Metro UGB as part of the current growth management cycle under ORS 197.299 and Goal 14.
2. The Metro Council selects the midpoint of the forecast range for population and employment growth, as expressed in the revised housing and employment figures described in the COO Recommendations and incorporated into the adopted 2015 UGR.
3. The Metro Council directs Metro staff to produce a new draft urban growth report within three years from the date of this ordinance, but not until urban and rural reserves are acknowledged in all three counties.
4. Metro staff is directed to continue working with Clackamas County and Multnomah County to finalize urban and rural reserve designations and to seek acknowledgement of reserves from the Land Conservation and Development Commission as soon as possible.
5. Metro staff is directed to work with regional partners to explore possible improvements to Metro's regional growth management process.
6. Metro staff is directed to monitor and report on housing and job trends on an ongoing basis, including implementation of the Regional Snapshots program, and to work with regional partners to increase knowledge about housing market preferences through additional market research and analysis.
7. The Findings of Fact and Conclusions of Law in Exhibit A, attached and incorporated into this ordinance, are adopted to explain how this ordinance is consistent with state law.

ADOPTED by the Metro Council this _____ day of November 2015.

Tom Hughes, Council President

Attest:

Approved as to Form:

Alexandra Eldridge, Recording Secretary

Alison R. Kean, Metro Attorney

DRAFT

Materials following this page were distributed at the meeting.

Industrial Site Planning



Metro Technical Advisory Committee
August 5, 2015

Project Purpose

- Quantify supply and *readiness* of industrial sites by analyzing costs, time, and barriers to development
- Determine costs and benefits of industrial site development
- Identify potential tools and policies to maintain market-ready inventory
- Identify where strategic public investment or policy changes would have best impact on multiple sites



Project Funding

- Community Planning and Development Grant



- Financial/staff time contributions from:



- Brownfields assessment grant



- Additional staff time committed by:



Project Roles

- County
 - Project management
 - Interagency coordination
 - Regional planning perspective
- Project Partners
 - Review of materials
 - Coordination with technical staff
 - Economic development perspective



Regional Context

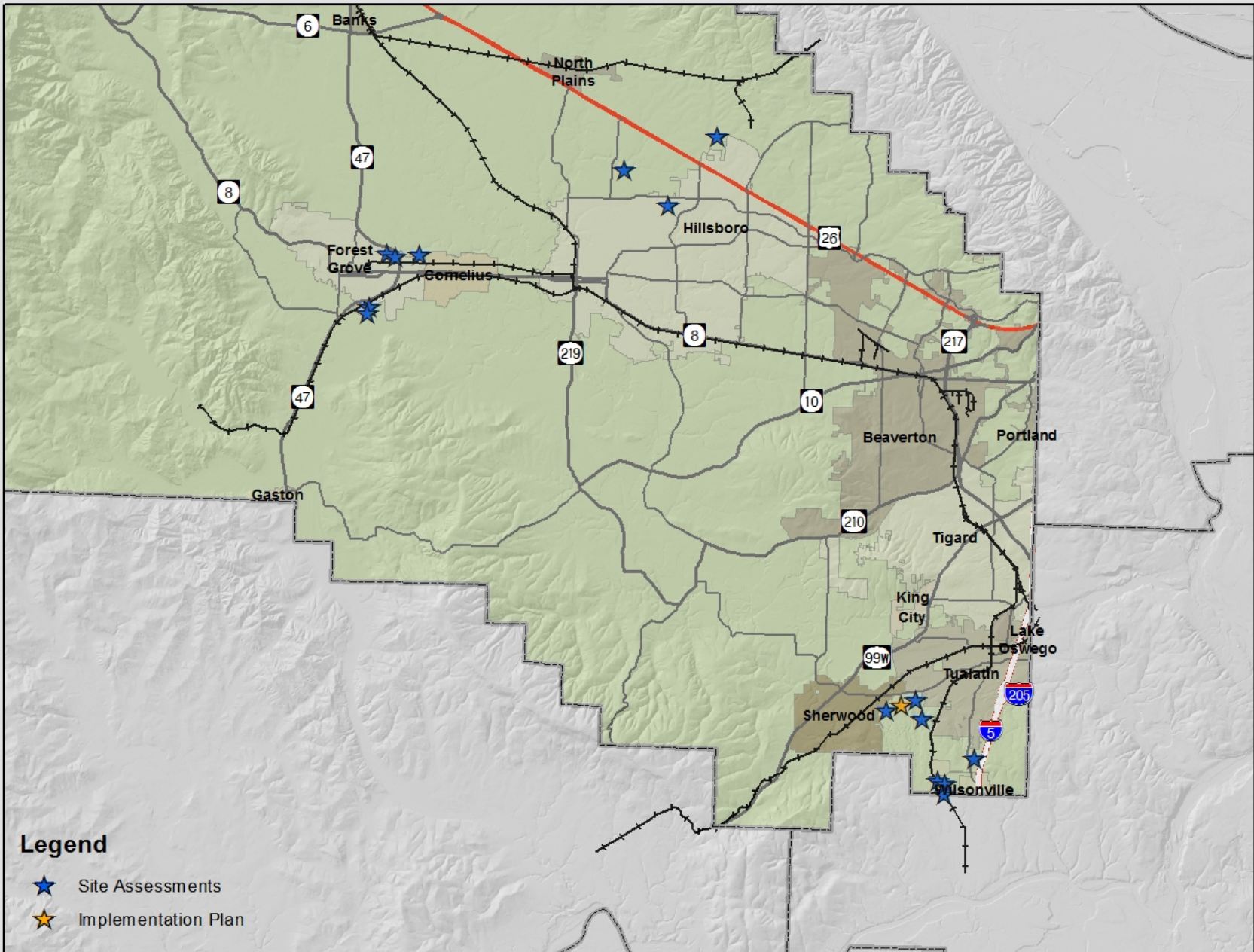
- Regional Inventory of large industrial sites conducted in 2012, updated in 2014
- 30 large sites (over 25 acres) identified in Washington County in regional inventory
- 15 selected for further study under this grant
 - 4 sites were previously studied in 2012
- Methodology for site assessment follows regional framework



Site Assessments

- Select target industry profile
- Development constraints
- Barriers to development
- Market opportunities
- Economic benefits of development
- Time to market





Site 1



- 300 acre site
- Active quarry
- Outside of city limits
- Limited site access and utilities

Site 2



- 46-acre site
- Next to existing high tech facility
- Served by utilities
- Inside city limits

Site 3



- 48-acre site
- 11 taxlots
- 6 owners
- Partially developed
- Outside of city limits

Tualatin

ITEL SITE ID: 66



Site Characteristics	
Site Size: 41.6 acres	Net Developable Acreage: 39.3 acres
Development Characteristics	
Site Use: Single-user advanced manufacturing campus with office/research and development	

Economic Impacts

Direct Jobs	574
Indirect/induced Jobs	238
Property tax revenue (through 2035)	\$12M
Payroll tax revenue (through 2035)	\$30M

Total Building Size: 338,600sf

Total Building Construction Cost: \$45M

Total Site Development Costs: \$16.5M

- **\$9.69 per sf**

Site Development Period: 33 months

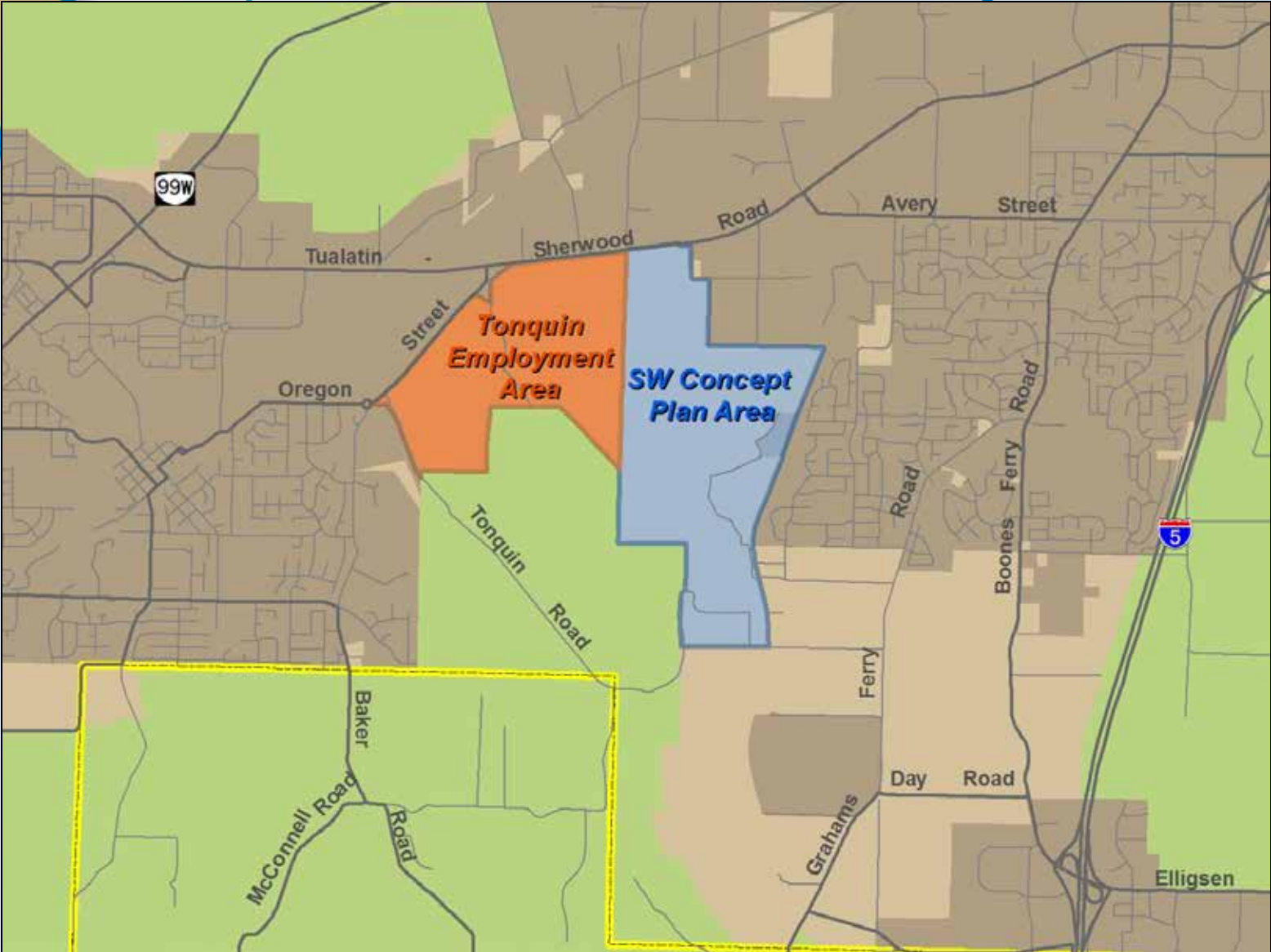


Implementation Study

- City of Sherwood site was part of Regional Inventory Phase 2 analysis
- Phase 3 analysis:
 - Refines infrastructure needs
 - Identify potential phases for annexation
 - Examine market conditions
 - Identify barriers to desired sectors
 - Develop marketing strategy
 - Outreach to property owners, elected officials, and committees



Implementation Plan Study Area



Project Website

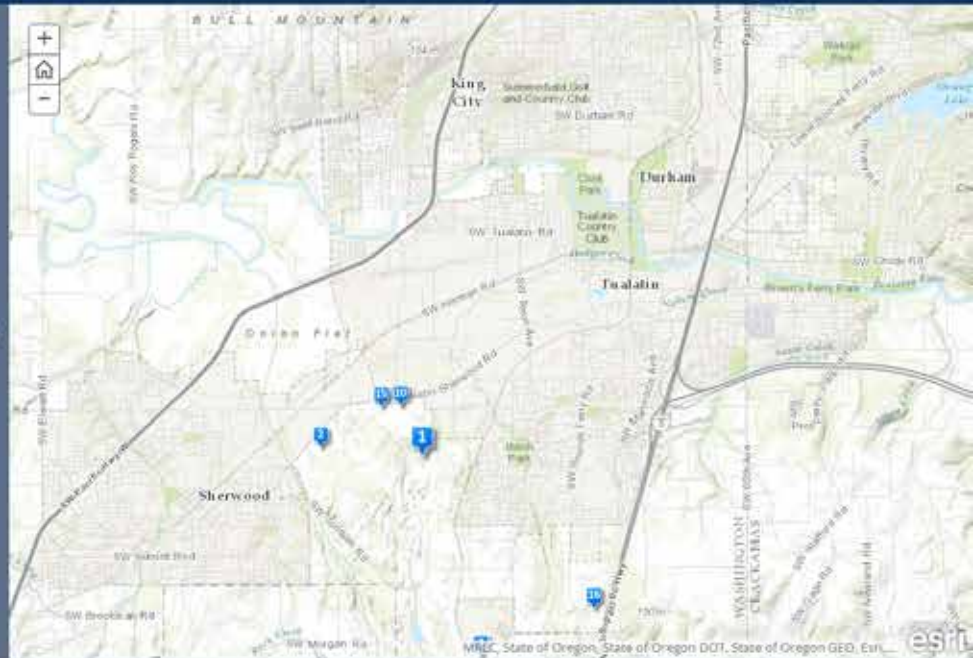
Washington County Large Lot Industrial Site Assessment Project

The Washington County Large Lot Industrial Site Assessment Project will complete detailed site assessments for 11 large industrial sites within Washington County that are currently not development-ready. These site assessments will facilitate regional and local government efforts to define and prioritize investments needed to obtain Business Oregon "Decision-Ready" site certification, develop public funding requests, and secure private/public investment in the sites. This project will help move these sites to market for traded-sector investment and help meet the regional need for large lot industrial sites.



City of Tualatin
Tigard Sand & Gravel
Site 36

Tigard Sand & Gravel - Site 36
This site is a Tier 2 and is made up of multiple tax lots. This site is a Metro RSIA (Regionally Significant Industrial Area) and is located in unincorporated Washington County. It is also a part of Tualatin's Urban Planning Area, as well as being a part of the 2011 Southwest



- | | | | | | | | | | | | |
|--|--|---|---|---|--|--|---|---|---|---|--|
| 1
Tigard Sand & Gravel
Site 36
City of Tualatin
Tigard Sand & Gravel | 2
Biles Family
Site 38
City of Sherwood
Biles Family | 3
Cranford Julian
Site 47
City of Milwaukie
Cranford Julian | 4
Coffee Creek #2
Site 59
City of Woodburn
Coffee Creek 2 | 5
Coffee Creek #3
Site 60
City of Woodburn
Coffee Creek 3 | 6
Coffee Creek #4
Site 61
City of Milwaukie
Coffee Creek 4 | 7
Woodburn
Site 63
City of Forest Grove
Woodburn | 8
Woodfold - Marco
East
Site 64
City of Forest Grove
Woodfold - Marco East | 9
Woodfold - Marco
West
Site 65
City of Forest Grove
Woodfold - Marco West | 10
K. Isle
Site 66
City of Tualatin
K. Isle | 11
Vanross
Site 101
City of Milwaukie
Vanross | 12
Hally H.
Site
City of Forest Grove
Hally H. |
|--|--|---|---|---|--|--|---|---|---|---|--|



FINDINGS



Site Readiness

- All 15 sites are within UGB but none are ready for development within 1 year
 - 0 sites ready within 180 days
 - 11 sites ready between 7 and 30 months
 - 4 sites ready in 30+ months
- Primary challenge to site readiness is off-site infrastructure costs; \$128M
 - \$45M transportation + \$40M utilities = over 65% of costs



Transportation and Utilities

- Constraints on all 15 sites
- Transportation
 - \$45M in improvements required
 - \$3M average per site
 - 50% of costs attributed to construction of new public roads for access
- Utilities
 - \$41M in improvements required
 - \$2.7M average per site



Site Development

- 3 sites with 50+ net developable acres
- 1 site with 100+ net developable acres
 - 3 of the 15 sites were determined to have less than 25 net developable acres
- Soils expected to accommodate conceptual developments without undergoing excessive settlement
 - long surcharge timelines not necessary
- The 100-acre large lot requirement on Tigard Sand and Gravel site is not achievable
 - existing easements, parcel shape, wetlands, and regional transportation needs for connectivity



Site Marketability

- Willing property owners and motivated jurisdictions are critical to moving sites to market and improving marketability
- Funding for roads, water, sewer, and stormwater infrastructure is a critical limiting factor to site readiness and market marketability



Outcomes of Development

(Using conceptual site uses and layouts)

- **Jobs:**
 - 14,000 direct jobs (on site operations)
 - Average salary of \$87,089 for these traded-sector jobs
 - 12,000 additional indirect and induced jobs
- **Revenue (over 20 year period):**
 - \$226M Property Tax
 - \$745M Payroll Tax
- **Investment Required:**
 - \$190M

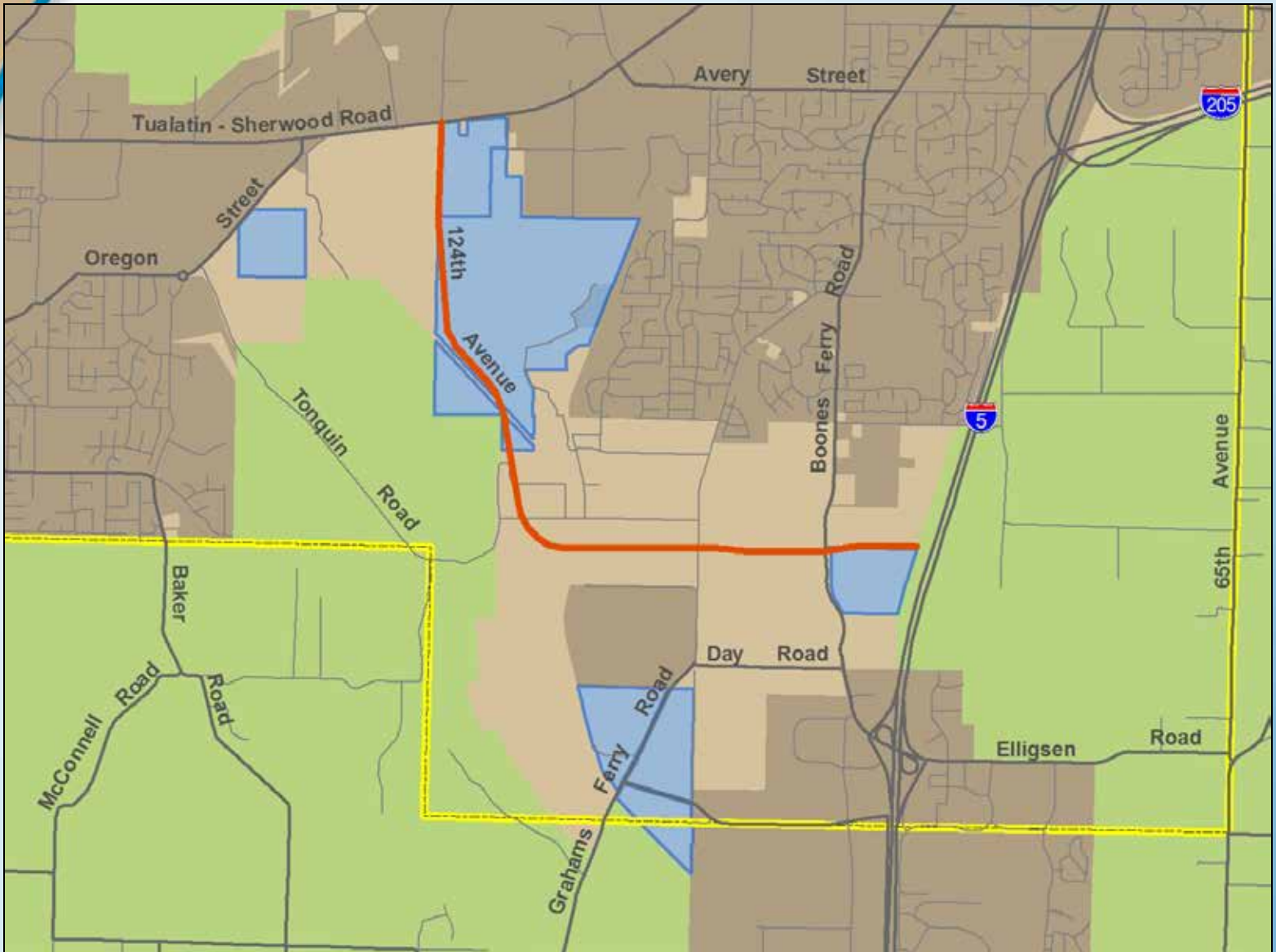


Next Steps

- Continue to evaluate and inventory sites to increase the inventory and the understanding of site readiness
- Identify strategic public infrastructure investments that can improve readiness/marketability of multiple sites
- Initiate a stakeholder outreach program to inform community leaders of study results and coordinate future efforts on business development and recruitment



124th Avenue Extension



For More Information

Project Manager:

Erin Wardell, Washington County Erin_Wardell@co.washington.or.us

Consultant:

Todd Johnson, Mackenzie Tjohnson@mcknze.com

Gabriela Frask, Mackenzie gfrask@mcknze.com

Chris Blakney, Johnson Economics crb@johnsoneconomics.com

Chris Bremer, Apex CBreemer@apexcos.com

Industrial Land Coalition Members:

Mike Williams, Business Oregon

Michael.williams@state.or.us

John Williams, Metro

John.Williams@oregonmetro.gov

Lise Glancy, Port of Portland

Lise.Glancy@portofportland.com



QUESTIONS?



Metro Technical Advisory Committee Presentation




August 5, 2015

*Todd Johnson, Senior Associate Land Use Planner
Mackenzie*

Project - Phase I

- Inventory employment land
- Identify 15+ acre development sites
- Outreach to stakeholders
- Site Search tool



Clackamas County Site Search

Clackamas County Site Search gives you access to a database of available commercial and industrial properties throughout the County. Prospective businesses, site selectors, project managers, investors and recruiters can use this tool to search for land, buildings and [development](#) sites with site detail reports available as PDF documents.

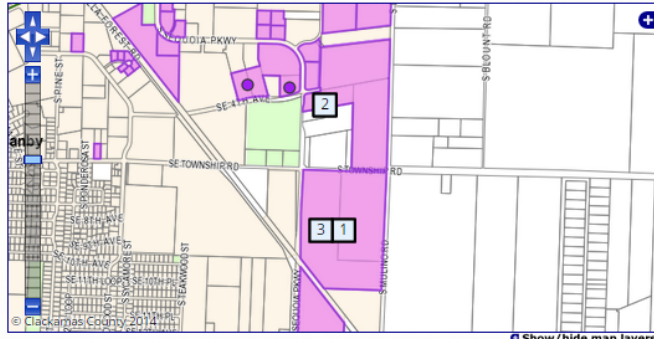
Use this mapping tool to search for properties by type, location, acreage, square footage, and proximity to key services. The interactive [map](#) allows for exploration of Clackamas County's transportation and environmental [data](#) layers.

Featured Properties

Clackamas County has identified featured properties to provide prospective businesses, developers and site selectors a selection of development sites for their consideration. [View our Featured Properties.](#)






<h4>Location</h4> <p>Clackamas County cities</p> <ul style="list-style-type: none"> <input type="checkbox"/> Beavercreek <input type="checkbox"/> Boring <input type="checkbox"/> Canby <input type="checkbox"/> Clackamas Industrial Area <input type="checkbox"/> Damascus <input type="checkbox"/> Eagle Creek <input type="checkbox"/> Estacada <input type="checkbox"/> Gladstone <input type="checkbox"/> Government Camp <input type="checkbox"/> Happy Valley <input type="checkbox"/> Lake Oswego <input type="checkbox"/> Milwaukie 	<h4>Details</h4> <p>Address</p> <input type="text"/> <p>Land Type</p> <ul style="list-style-type: none"> <input type="checkbox"/> Commercial <input type="checkbox"/> Industrial <p>Acreage</p> <p>ANY <input type="text"/></p> <p>Proximity to:</p> <p>Airport: ANY <input type="text"/></p> <p>Port: ANY <input type="text"/></p> <p>Interstate: ANY <input type="text"/></p>	<h4>Status (Optional)</h4> <ul style="list-style-type: none"> <input type="radio"/> For Sale <input type="radio"/> For Lease <input type="radio"/> Sale / Lease <div style="text-align: center;"> <input type="button" value="Find My Site"/> <input type="button" value="Start Over"/> </div>
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Clackamas County Site Search

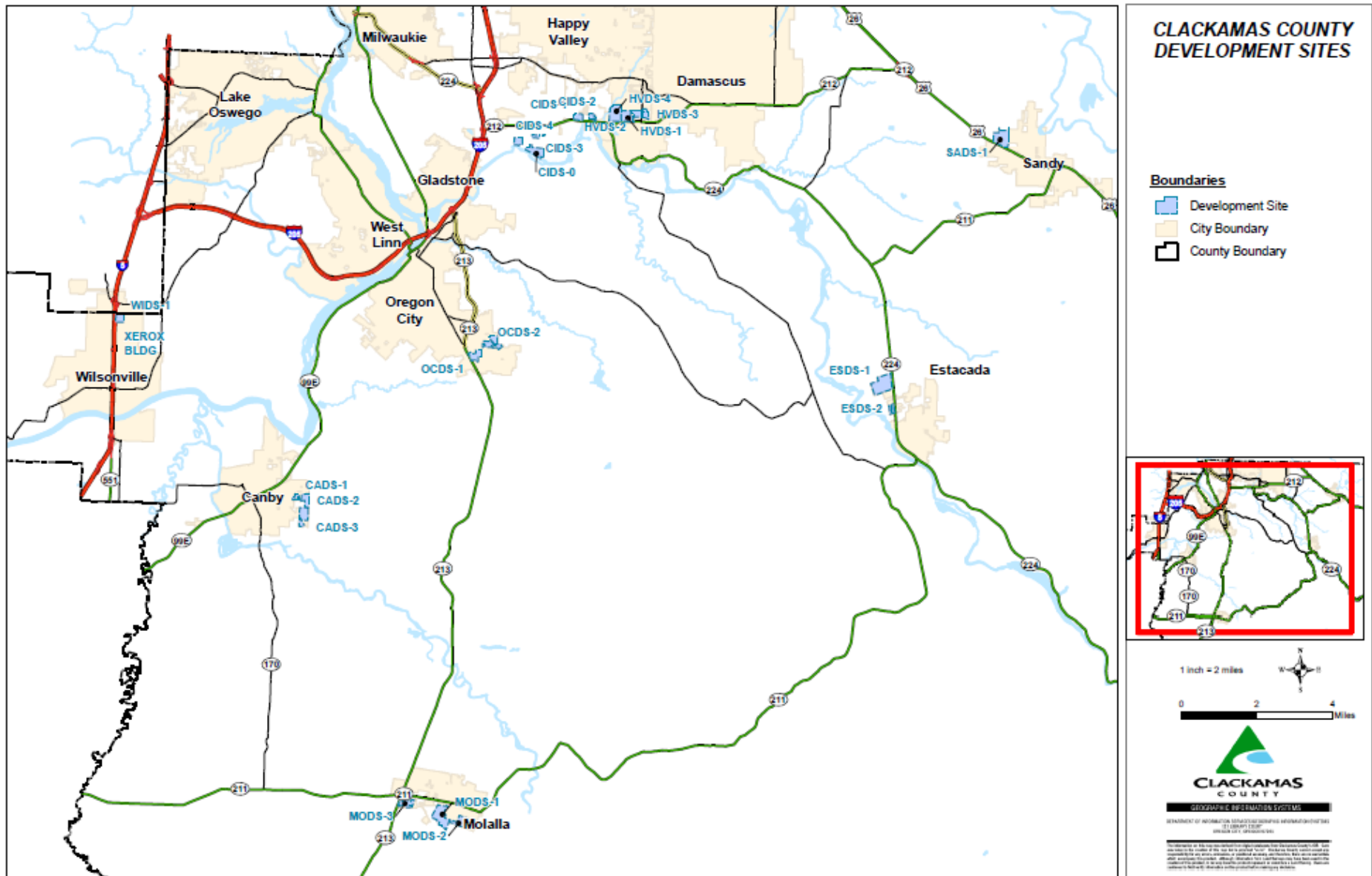


Search Results: 3 Found

(Search Type: Industrial | Location: Canby | Status: Sale / Lease)

Photo	Location	Details	Actions
	Canby Development Site 3 Canby Pioneer Industrial Area Canby, OR 97013	 Size: 60.27 Acres Type: Industrial Status: Sale Tax Lot #: Multiple Parcel #: Multiple Jurisdiction: Canby	view property view report street view
	Canby Development Site 2 Canby Pioneer Industrial Area Canby, OR 97013	 Size: 34.86 Acres Type: Industrial Status: Sale Tax Lot #: Multiple Parcel #: Multiple Jurisdiction: Canby	view property view report
	S Township Rd Canby, OR 97013	Size: 27.42 Acres Type: Industrial Status: Sale	view property view report street view

Clackamas Development Sites

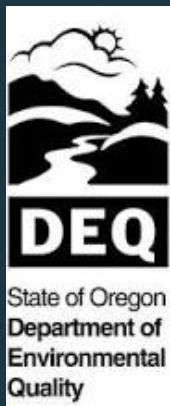


Project - Phase II

Scope of Work:

- Development Area Plan
- Target Industry Analysis
- Industry Cluster Impact Analysis
- Marketing & Implementation Plan
- Decision Ready Designation

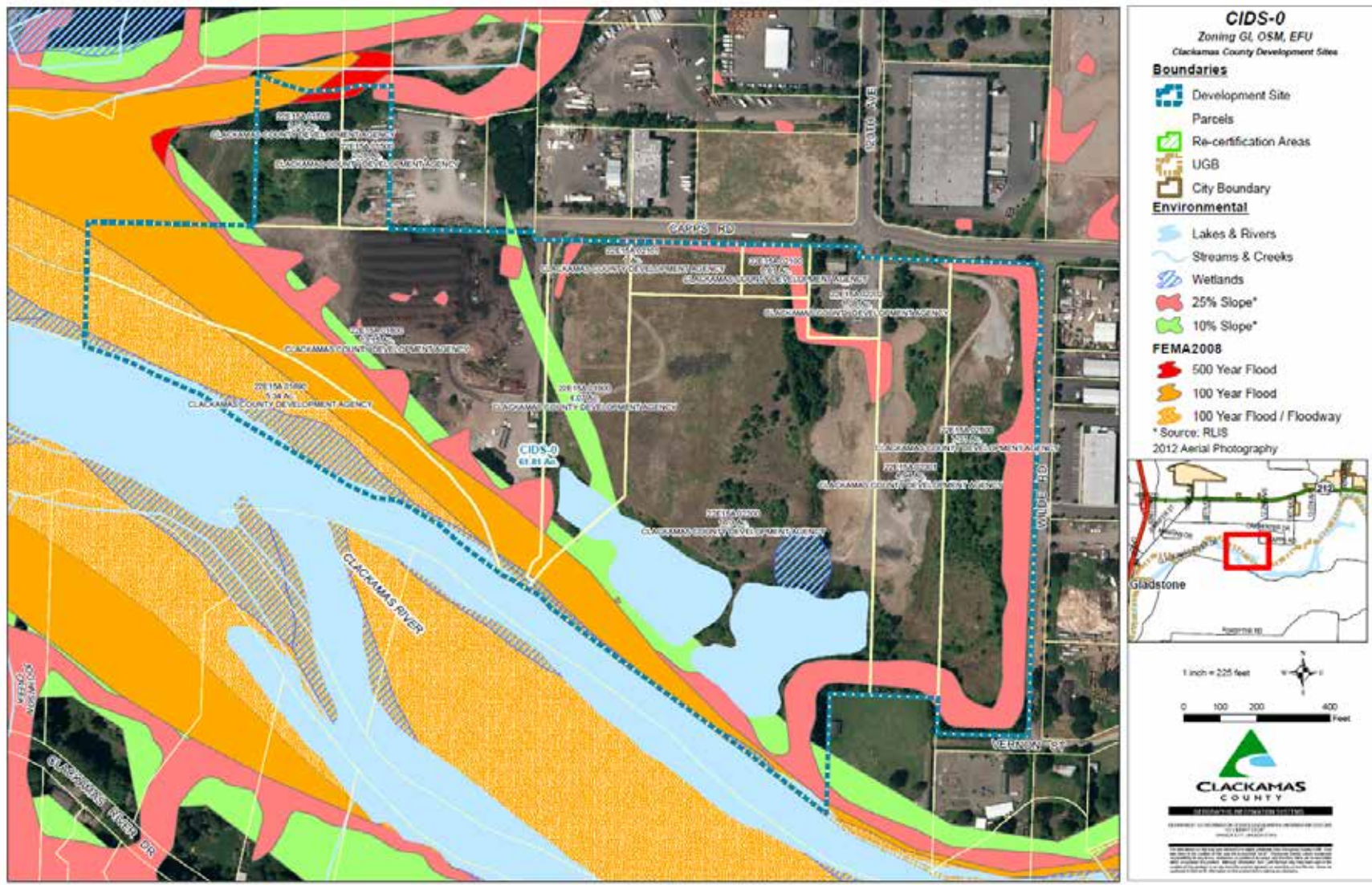
Project Team



Development Area Plan By Site

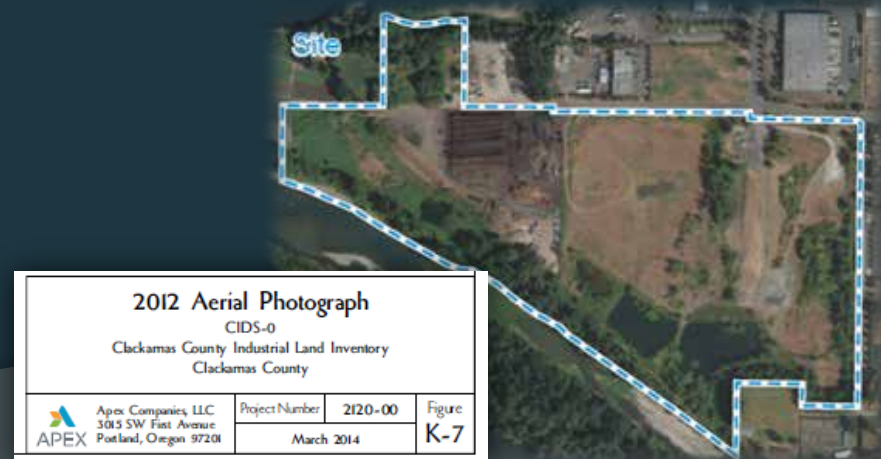
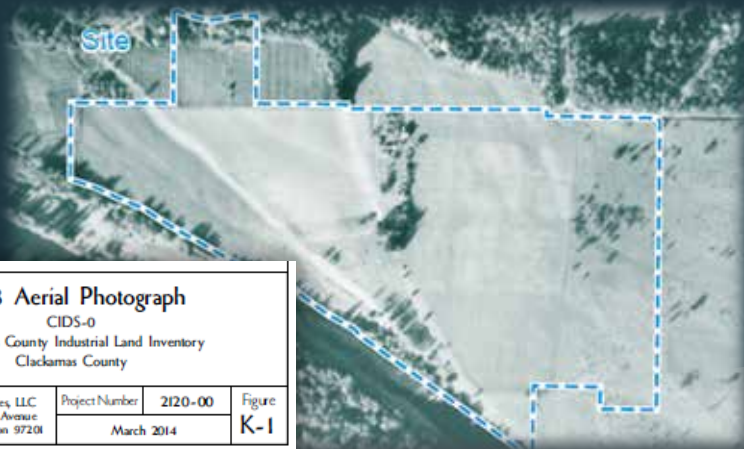
Existing Conditions

Clackamas Industrial Area Opportunity Site (CIAO)



Environmental Review

- Process By Site:
 - Site reconnaissance and photos
 - Review DEQ Facility profile
 - File review
 - Historical aerial photography review
 - Summary of environmental conditions
 - Remediation cost estimate and schedule



Infrastructure Analysis

- Existing Services:
 - Water
 - Sewer
 - Storm
- Improvements
- Building Surcharge
- Slope Mitigation

Public Utility Infrastructure Summary



Water Distribution				Sanitary Sewer				Storm Drainage				<u>Slope Mitigation</u>	
<u>Existing Water Infrastructure</u>				<u>Existing Sewer Infrastructure</u>				<u>Existing Storm Infrastructure</u>				Area with slopes greater than 5 percent:	
Nearest Water Location: Public line in Capps Rd				Nearest Sewer Location: Public line in Capps Rd and Wilde Rd				Nearest Storm Location: Clackamas River				379,000 sf	
Water Provider: Clackamas River Water District				Sewer Provider: WES				Storm Provider: WES				Maximum elevation difference across slope area:	
Water Service Area: North-Clackamas Service Area				Sewer Service Basin: CCSD #1				Storm System Outfall: Clackamas River				18 ft	
Distance to Site: Adjacent to North				Distance to Site: Adjacent to E, N				Distance to Site: Adjacent to South				Average cut/fill height to mitigate slopes:	
Water Main Size: 12" (N), 8" (S)				Sewer Pipe Size: 8" (E), 10" (N)				Storm Pipe Size: N/A				3.5 ft	
Detention / WQ Required: Yes per CCSD #1												Estimated earthwork volume:	
												25,000 cy	
<u>Proposed Water Improvements</u>				<u>Proposed Sewer Improvements</u>				<u>Proposed Storm Improvements</u>				Cut/Fill Unit Cost:	
Pipe Size	Pipe Length	Unit Cost	Total Cost	Pipe Size	Pipe Length	Unit Cost	Total Cost	Pipe Size	Pipe Length	Unit Cost	Total Cost	\$15.00 /cy	
12"	1,770	\$180	\$ 318,600	8"	1,050	\$150	\$ 157,500	12"	450	\$140	\$ 63,000	Slope Earthwork Cost:	
								24"	300	\$240	\$ 72,000	\$375,000	
								Detention Pond Modifications: \$ 30,000				Average Retaining Wall Height:	
Total Water Improvements Cost: \$ 318,600				Total Sewer Improvements Cost: \$ 157,500				Total Storm Improvements Cost: \$ 165,000				6'-8'	
<u>Other Water Notes:</u>				<u>Other Sewer Notes:</u>				<u>Other Storm Notes:</u>				Estimated Retaining Wall Face Area:	
Total water system capacity: 24 mgpd				CCSD#1 Capps Road pump station located on site.				Assumes modifying existing treatment ponds as detention facilities for site development.				8,620 sf	
Peak flow available to the site: 2.16 mgpd												Retaining Wall Unit Cost:	
Available Water Pressure: 65-80 psi												\$25.00 /cy	
Water Design: 6 months				Sewer Design: 6 months				Storm Design: 6 months				Retaining Wall Cost:	
Water Permit / Construction: 6 months				Sewer Permit / Construction: 6 months				Storm Permit / Construction: 12 months				\$215,500	
												Slope Mitigation Cost:	
												\$590,500	
												Slope Mitigation Permit: 6 months	
												Slope Mitigation Construction: 12 months	
Note: The above slope mitigation costs are for the specific building sizes and configuration used in this study. Other building uses, configurations, or sizes may result in revised slope mitigation requirements.													
<u>Building Pad Surcharge</u>													
No building pad surcharge expected.													

Transportation Analysis

Transportation (Off-Site Development)

- The site has direct access to SE Capps Road to the north, SE 115th Avenue to the northeast (when constructed) and SE Wilde Road to the east; however, access to Wilde Road is limited by topography. Direct property access can be oriented to SE Capps Road and SE 115th Avenue which connects to OR212 via SE 120th Avenue, SE Jennifer Street and SE 122nd Avenue.
- Immediate Opportunity Funds have recently been requested for the extension of SE 120th Avenue to make the property market-ready. This extension will re-grade the property entrance and provide access further south within the property.
- Based on the conceptual site plan, anticipated transportation infrastructure improvements necessary to serve immediate subject property development are limited to direct property access improvements and the following:
 1. Construct ½ street improvements on SE Capps Road along property frontage: \$928,000
 2. Construct ½ street improvements on SE 115th Avenue from Capps Road to north development edge: \$224,000
 3. Construct SE 120th Avenue extension south onto property (as necessary): no direct project cost if constructed as part of IOF funding
- Near-term property development can occur with minimal need to construct off-site transportation infrastructure improvements and the development is exempt from Clackamas County transportation concurrency requirements. However, OR 212 mobility will generally be poor until planned and programmed Sunrise Corridor improvements are constructed.



Development Area Plan Scenario

Clackamas Industrial Area Opportunity Site (CIAO)



Economic Landscape – Industry Clusters

Clackamas County Key Clusters*

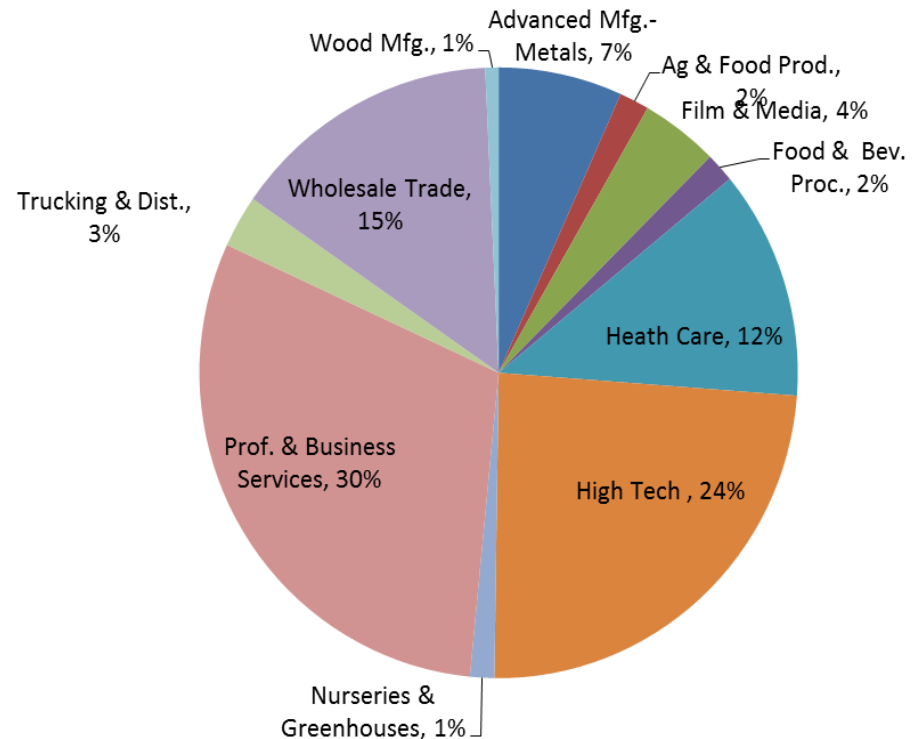
- ž Professional Business Services
 - *Corp. HQ, legal, insurance, engineering, finance (excl. banking, advertising)*
- ž High Tech Manufacturing & Software
- ž Wholesale Trade
- ž Health Care
- ž Advanced Manufacturing – Metals
 - *includes primary & fabricated metals and machinery mfg.*
- ž Film & Media Production
- ž Transportation & Distribution
- ž Agriculture & Food Production
- ž Food & Beverage Processing
- ž Nurseries and Greenhouses
- ž Wood Manufacturing

* *Shown in order of annual GDP contribution to Clackamas County*

Clackamas County's Clusters

Distribution of Annual GDP (\$10.5 Billion)

- Key Clusters in Clackamas County:
 - Create \$10.5 billion in direct annual GDP
 - Generates 56% of total direct GDP in County
 - Employ 45% of the Job base
 - Avg. covered payroll of \$47,000 in key clusters is over 17% above county average



Source: FCS GROUP based on 2013 IMPLAN data

Industry Cluster Impact Analysis

Economic and Fiscal Impact Analysis

Site Uses:

Regional concentrations of users specializing in advanced metals manufacturing is high, and the site has been marketed to such users in the past. Our model assumes a single user advanced metals manufacturer on this site.

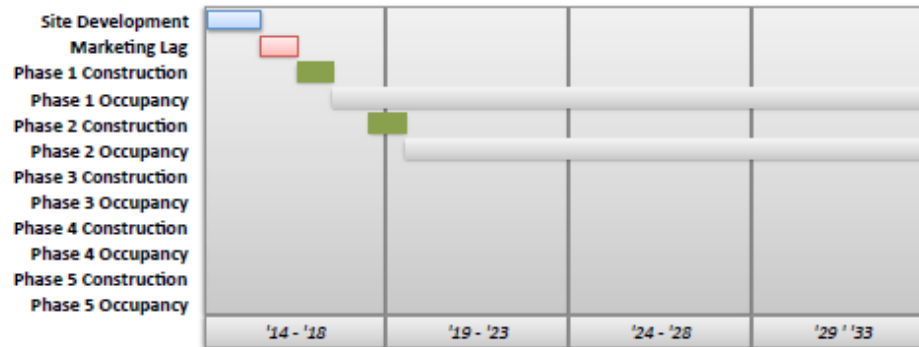
Building Use Matrix

Building A	General Manufacturing/Flex
Building B	Warehouse
Building C	General Manufacturing/Flex
Building D	General Manufacturing/Flex
Building E	General Manufacturing/Flex
Building F	General Manufacturing/Flex

Total Construction Costs for Building Development*: **\$44,850,600**

* In 2024 Dollars, rounded to 1,000th

Phasing Schedule for Site Build-Out



SITE AREA:	59.75 ACRES
BUILDING AREA:	563,250 SF
PARKING:	832 STALLS
SITE BOUNDARY:	
STORM POND:	
LANDSCAPING:	
PAVED SURFACE:	

Economic Impacts

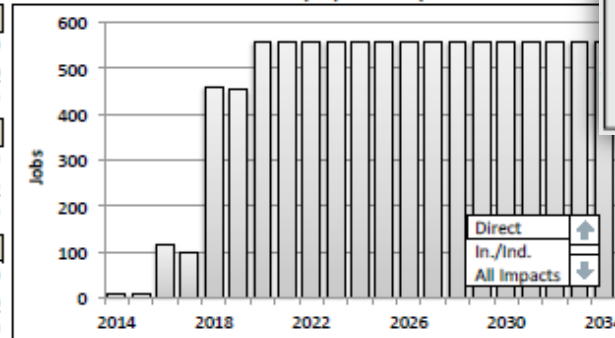
SITE	Figures represent direct, indirect, and induced economic impacts from site development activities over the 18-month site development period.
FACILITIES	Figures represent direct, indirect, and induced economic impacts from construction of user facilities over 18 development phases.
ON-GOING	Figures represent direct, indirect, and induced economic impacts from on-going operations at businesses on site at full-build-out capacity.

	Jobs	Payroll	Output
Direct	9	\$660,000	\$720,000
In./Ind.	9	\$490,000	\$760,000
TOTAL:	18	\$1,150,000	\$1,480,000

	Jobs	Payroll	Output
Direct	72	\$5,640,000	\$6,240,000
In./Ind.	64	\$3,610,000	\$5,630,000
TOTAL:	136	\$9,250,000	\$11,870,000

	Jobs	Payroll	Output
Direct	557	\$56,320,000	\$52,380,000
In./Ind.	1,006	\$70,270,000	\$92,500,000
TOTAL:	1,563	\$126,590,000	\$144,880,000

Annual Employment Impact



Marketing and Implementation

Development Site Profile

Clackamas County, Oregon

Clackamas County, Oregon

Location Map



Site Proximity

Airport: 19 miles | Port of Portland: 17 miles | Rail: .4 miles

Clackamas County Proximity to Major Western Regional Cities

Seattle, WA: 200 miles | Las Vegas, NV: 950 miles | Salt Lake City, UT: 785 miles
Boise, ID: 445 miles | Denver, CO: 1,250 miles | Phoenix, AZ: 1,250 miles



Clackamas County

Clackamas County Development Agency

150 Beaver Creek Road
Oregon City, OR 97045

Phone: (503) 742-4325
Fax: (503) 742-4349

Email: danjoh@clackamas.us
Website: www.clackamas.us/development/

60 Acres Industrial Land

Clackamas Industrial Area Opportunity Site (CIAO)



Key Attributes

- Certified "Shovel Ready" Site
- Access to quality, skilled workforce
- Fully served with utilities and infrastructure
- Easy access to I-205
- Located in North Urban Clackamas Enterprise Zone



Development Site Profile

Conceptual Development Option: Advanced Metals/General Manufacturing

Location Overview



The size and location of the Clackamas Industrial Area Opportunity (CIAO) site provides flexibility of development types and uses. The Clackamas Industrial Area is within a well-established transportation corridor for the movement of freight to and from manufacturers and distribution facilities. The proximity of the site to Interstate 205 provides a substantial opportunity for generating interest in the manufacturing sector.

The site could be developed for a single or multi-user development such as specialty manufacturing which could combine material handling, processing, and front office functions easily on the site.

Clackamas County has expressed a goal of job creation to support its citizens, therefore the Development Agency will be motivated to support appropriate development opportunities presented to them, especially those with significant job creation.

Next steps prior to development:

- Slope mitigation to level slopes greater than 5% to achieve development area as shown
- Potential environmental clean up may be needed, depending on final building footprint location

Distance to Key Transportation Assets

- Interstate 5: 13 miles to Interstate 5
 - Interstate 205: 2 miles to Interstate 205
 - Portland International Airport: 19 miles
 - Port of Portland: 17 miles
- Source: Google Maps

Work Force:

- Clackamas County Labor Force: 11,842
 - Labor Force—5 Mile Radius: 86,050
 - Median Household Income: \$53,372
 - Average Commute: 24 minutes
- Source: Oregon Prospector

Local Clackamas County Employers:

- Kroger, Inc.: 800–1000 emp.
 - Safeway Stores, Inc.: 400–500 emp.
 - Pacific Sea Food Company, Inc.: 300–500 emp.
 - Oregon Iron Works, Inc.: 300–500 emp.
 - PCC Structural, Inc.: 700–800 emp.
- Source: Clackamas County Economic Landscape, 2014

Clackamas County Key Industries:

- Professional Business Services
- Advanced Manufacturing and Technology
- Food Processing and Production
- Wholesale Trade and Distribution
- Health Care
- Film and Media Production
- Wood Product Manufacturing
- Nurseries and Greenhouses

Utilities & Infrastructure

Water Service

- Provider: Clackamas River Water District
- Distance to Site: Adjacent N
- Nearest Water Location: Capps Rd.
- Water Service Area: North Clackamas Service Area
- Water Main Size: 12" (N), 8" (S)
- Contact Information
Clackamas River Water District
(503) 722-9220

Sewer Service

- Provider: WES
- Distance to Site: Adjacent E, N
- Nearest Sewer Location: Capps Rd. & Wilde Rd.
- Sewer Pipe Size: 8" (E), 10" (N)
- Sewer Service Basin: CCSD#1
- CCSD#1 Capps Rd. pump station located on site.
- Contact Information
Water Environmental Services
(503) 742-4567

Storm Service

- Provider: WES
- Distance to Site: Adjacent S
- Nearest Storm Location: Clackamas River
- Storm System Outfall: Clackamas River
- Detention / WQ Required: Yes
- Assumes modifying existing treatment ponds as detention facilities for site development.
- Contact Information
Water Environmental Services
(503) 742-4567

Electric Service

- Provider: PGE
- Electric Service Available: Yes
- Available Capacity: Yes
- PGE will work with prospective customers to meet their timeline and load requirements.
- Contact Information:
Melissa Hunting
Business Development Specialist
Melissa.Hunting@pgh.com
(503) 464-7784

Natural Gas Service

- Provider: NW Natural
- Natural Gas Service Available: Yes
- Available Capacity: Yes
- NW Natural must be consulted prior to any request for gas to determine ability to serve.
- Contact Information:
Linda Chang
Major Accounts Manager
l3c@nwnatural.com
(503) 721-2474
(800) 422-4012

Telecommunications Service

- Provider: [Provider Name]
- Natural Gas Service Available: [Y/N]
- Available Capacity: [Line size & location]
- [Other notes]
- Contact Information:
[Name]
[Email]
[Phone]

For additional information contact:

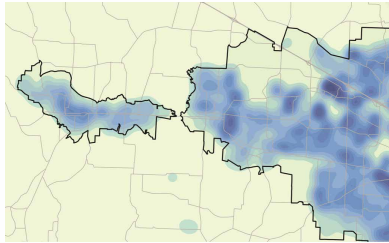
Clackamas County
Business & Economic Development

Phone: **(503) 742-4329**

Email: 4biz@clackamas.us

www.clackamas.us/business

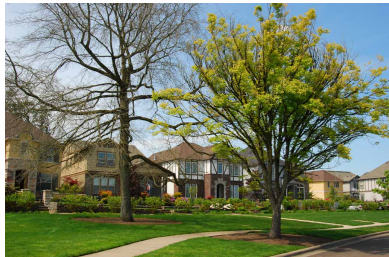




2015 urban growth management decision



Chief Operating Officer
Recommendations to the Metro
Council



MTAC
August 5, 2015



Metro | *Making a great place*

Urban growth management decision TIMELINE

2013 Phase I

TECHNICAL ENGAGEMENT

Jan–Dec 2013
Develop 20-year
growth capacity
estimates

2014 Phase 2

URBAN GROWTH REPORT

July 2014
Draft urban
growth
report
released

Dec 2014
Metro
Council
accepts
draft UGR

2015 Phase 3

GROWTH MANAGEMENT DECISION

July 2015
COO recom-
mendation to
Metro Council

Fall 2015
MPAC recom-
mendation
and public
hearings

Nov 2015
Metro Council urban
growth management
decision

Phase I: technical engagement

Buildable land inventory technical working group

Jill Sherman, Gerding Edlen
Eric Cress, Urban Development Partners NW
Steve Kelley, Washington County
Brian Hanes, Washington County
Erin Wardell, Washington County
Colin Cooper, Hillsboro
Ali Turiel, Hillsboro
Emily Tritsch, Hillsboro
Ken Rencher, Beaverton
Mike Rizzitiello, Beaverton
Larry Conrad, Clackamas County
Denny Egner, Lake Oswego (through June 2013), Milwaukie
Chris Neamtzu, Wilsonville
Chuck Beasley, Multnomah County
Adam Barber, Multnomah County
Tom Armstrong, Portland
Tyler Bump, Portland (alternate)
Brian Martin, Gresham
Mike Tharp, Norris, Beggs, and Simpson
Bob LeFeber, Commercial Realty Advisors
Drake Butsch, First American Title Company
Stuart Skaug, CB Richard Ellis
Dan Grimberg, Arbor Homes
Jeff Bacharach, Bacharach Law
Andrew Tull, 3J Consulting
Justin Wood, Home Builders Association of Metropolitan Portland
Anne Debbaut, DLCD
Jennifer Donnelly, DLCD
Tom Hogue, DLCD
Gordon Howard, DLCD
Jerry Johnson, Johnson Economics
Eric Hovee, E.D. Hovee and Associates

Residential supply range technical working group

Erin Wardell, Washington County
Jeannine Rustad, Hillsboro
Emily Tritsch, Hillsboro
Gordon Howard, DLCD
Anne Debbaut, DLCD
Jennifer Donnelly, DLCD
Tom Armstrong, Portland
Justin Wood, Home Builders Association
Jerry Johnson, Johnson Economics
Eric Hovee, E.D. Hovee and Associates

Employment land technical working group

Bob LeFeber, Commercial Realty Advisors
Mark Childs, Capacity Commercial
Steve Kountz, Portland
Tyler Bump, Portland
Brian Owendoff, Capacity Commercial
Mike Tharp, Norris, Beggs, and Simpson

Regional forecast advisory panel

Dr. Tom Potiowsky, Chair, Northwest Economic Research Center, PSU
Dr. Jennifer Allen, Institute for Sustainable Solutions, PSU
Jerry Johnson, Johnson Economics
Dr. Jason Jurjevich, Population Research Center, PSU
Dave Lenar, NW Natural
Dr. Randall Pozdena, ECONorthwest
Steve Storm, NW Natural

Phase II: 2014 Urban Growth Report



7/22/14	Council – intro to draft UGR
7/23/14	MPAC – intro to draft UGR
9/9/14	Council – residential preference study
9/10/14	MPAC – residential preference study
9/23/14	Council – housing needs
10/8/14	MPAC – housing needs
10/9/14	Council – employment needs, industrial site readiness
10/14/14	Council – request advice from MPAC on acceptance of draft UGR
10/22/14	MPAC – employment needs, industrial site readiness
11/12/14	MPAC – recommendation to Council on UGR
12/4/14	Council – hearing and decision on UGR

Phase III (urban growth management decision)

- 2/3/15 Council – retreat on urban growth management work program for 2015
- 2/17/15 Council – proposed urban growth management work program for 2015
- 2/25/15 MPAC – urban growth management work program for 2015
- 3/31/15 Council – Portland's comprehensive plan update
- 4/8/15 MPAC – Portland's comprehensive plan update
- 4/22/15 MPAC – Likelihood of development in urban centers such as Portland
- 5/5/15 Council – Likelihood of development in urban centers such as Portland
- 5/12/15 Council /Damascus City Council – Likelihood of development in Damascus
- 5/27/15 MPAC – Likelihood of development in urban growth boundary expansion areas, including Damascus
- 6/10/15 MPAC – Planning and development activities in Hillsboro
- 6/16/15 Council – Planning within a range forecast
- 6/24/15 MPAC – Planning within a range forecast
- 6/25/15 Council – Direction to staff

2015 URBAN GROWTH MANAGEMENT DECISION:

RECOMMENDATIONS TO THE METRO COUNCIL
FROM METRO'S CHIEF OPERATING OFFICER

JULY 2015



2015 URBAN GROWTH
MANAGEMENT DECISION:

RECOMMENDATIONS TO THE METRO COUNCIL
FROM METRO'S CHIEF OPERATING OFFICER

JULY 2015



Factors that influence the recommendations:

- Economic changes
- Legal and political factors
- Success of regional and local policies



Recommendations:

2015 urban growth management decision

1. Decide not to expand the UGB
2. Begin the next UGR sooner
3. Seek acknowledgement of reserves

Leadership on growth management policy

4. Explore evolution of residential growth management processes

Address challenges identified in UGR

5. Shift the region's episodic focus on challenges
6. Implement goals for middle and upper income job growth
7. Invest in regional and local plans

Next Steps

- July 28: Metro Council work session – discussion of Chief Operating Officer recommendation
- Aug 5: MTAC – discussion of Chief Operating Officer recommendation
- Aug 26: MPAC – discussion of Chief Operating Officer recommendation
- Sept 2: MTAC discussion (if needed)
- Sept 9: MPAC – recommendation to Metro Council
- Sept 15: Metro Council work session (provide direction to staff on point in range forecast and direction to finalize the Urban Growth Report and housing needs analysis based on that point forecast)
- Sept 24: First reading of ordinance and public hearing
- Oct 27: Proposed final Urban Growth Report available for review (reflecting point forecast)
- TBD: Additional public hearings
- Nov 19: Metro Council adoption of final Urban Growth Report and legal findings



Home Builders Association
of Metropolitan Portland

Official response from HBAMP on Metro COO Martha Bennett's Recommendations to the Metro Council on the Urban Growth Management Decision

We appreciate the difficult job Metro has in managing our region's land supply. In our initial review of Metro COO Martha Bennett's recommendations, we are glad to see many important issues raised and recommendations made related to how Metro needs to look at things differently going forward in managing and balancing our region's growth. Issues like:

- how much has the recent severe recession impacted the region's growth over the last couple of years and is that going to change as we work our way out of its impacts;
- how do we balance people's needs and preferences in housing, and housing affordability, with our desire to protect farm and forestland;
- how can our region do a better job in allowing local jurisdictions who want more growth and have shown the ability to do it well to have better ways of achieving their goals; and especially,
- how can our region do a better job at creating higher income jobs and greater economic opportunities for all its residents.

Our major concerns with the recommendations are:

- the unprecedented projected shift in housing mix to apartments and condos;
- the assumptions of lower personal incomes;
- the assumption of low homeownership rates that don't reflect economic recovery and demographic trends; and
- the combined affects that lower single family home numbers, increased demand and lack of land supply will have on housing affordability.

These factors likely will create more pressure and pushback within Portland as existing neighborhoods have to absorb more growth, driving up land values, housing prices and rents. It will impact traffic and livability to settled neighborhoods. Moreover, it will also push many families further out from ever owning a home. As a result, workers will be forced to move to the edge of our region, into towns outside of our Metro area as well as Clark County, to find the housing they want and can afford.

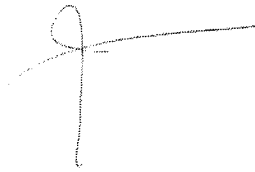
Our other major concern is the shift in the Urban Growth Report modelling. Contrary to past reports, the new approach makes it impossible to expand the boundary as long as there is a hypothetical supply of any kind of housing anywhere in the region. It ignores the types and locations of housing people want. This is why the model concludes there is no need for any boundary expansion, despite many local jurisdictions expressing the need for housing and employment lands in their area. Moreover, respected economists have examined the issue and

noted flaws in the report and the need for land availability to meet our region's housing needs and wants.

With that said, there are real challenges with how we grow, and current legal and political issues surrounding the urban reserves that make expansion difficult. We will continue to work closely with Metro and our region's jurisdictions to address these issues and hope to fully understand the recommendation to revisit the UGR earlier than required to ensure we appropriately manage our region's land supply. We are having further conversations about the implications of the recommendations and are also waiting to see how the Council responds and addresses these important issues and concerns in any final decision.



Nate Bond
Board President



Jim Standing
Board Member/Government Relations Chair