

Metro | Agenda

Meeting: Metro Technical Advisory Committee
Date: *Wednesday, July 13, 2016 – Special Meeting*
Time: 10:00 a.m. to Noon
Place: *Room 370A&B*

Time	Agenda Item	Action Requested	Presenter(s)	Materials
10:00 a.m.	CALL TO ORDER Updates from the Chair		John Williams, Chair	
	Citizen Communications to MTAC		All	
	Urban Growth Management Readiness Task Force <i>Purpose: Discussion and initial feedback to Task Force</i>	Recommendation	Ted Reid, Metro	
Noon	Adjourn			

Metro's nondiscrimination notice

Metro respects civil rights. Metro fully complies with Title VI of the Civil Rights Act of 1964 which bans discrimination on the basis of race, color national origin. For more information on Metro's civil rights program, or to obtain a Title VI complaint form, visit www.oregonmetro.gov/civilrights or call 503-797-1536

Metro provides services or accommodations upon request to persons with disabilities and people who need an interpreter at public meetings.

All Metro meetings are wheelchair accessible. If you need a sign language interpreter, communication aid or language assistance, call 503-797-1536 or TDD/TTY 503-797-1804 (8 a.m. to 5 p.m. weekdays) 10 business days in advance of the meeting to accommodate your request. For up-to-date public transportation information, visit TriMet's website at www.trimet.org.

2016 MTAC Tentative Agendas

January 6 • Cancelled	January 20 • Housing Equity
February 3 • Cancelled	February 17 • Cancelled
March 2 • Urban Growth Management Update • 2018 RTP Update: 2016 Activities & Milestones • 2018 RTP Update: Background for Regional Leadership Forum #1 • Metro Equity Strategy • Title 13 Progress Report	March 16 • Growth Distribution • Sherwood West Concept Planning work
April 6 • Cancelled	April 20 • Metro Equity Strategy Final Report
May 4 • Cancelled	May 18 • Cancelled
June 1 • 2018 RTP Update • Metro Equity Strategy • Urban Growth Management Update • Affordable Housing Grants Update	June 15 • Cancelled
July 6 • Happy Valley CPDG Project Update • Revised Growth Forecast Distribution • Urban Growth Management Readiness TF update	July 13 – Special Meeting • Recommendation on Urban Growth Management Readiness Task Force work plan to MPAC
July 20 • Cancelled	August 3 • 2018 RTP: Background for Regional Leadership Forum # 2 • 2018 RTP: Transportation Equity Priority Outcomes • 2018 RTP: Draft Regional Transit Vision
August 17	September 7
September 21 • 2018 RTP: Draft RTP Performance Targets	October 5
October 19 • 2018 RTP: Background for Regional Leadership Forum #3	November 2 • 2018 RTP: Transportation Equity Measures • 2018 RTP: Safety Strategies and Outcomes
November 16	December 7
December 21	***

Parking Lot – Future Agenda Items

- Bonny Slope and North Bethany update
- ODOT Highway Performance Measures Project
- City of Vancouver Updates

Parking Lot – Future Events

- Sept. 23, 2016 – RTP Regional Leadership Forum #2; Navigating our Transportation Funding Landscape
- Dec. 2, 2016 – RTP Regional Leadership Forum #3; Transforming our Vision into Regional Priorities



Date: July 8, 2016
To: Urban Growth Management Readiness Task Force
Cc: Metro Council
From: Roger Alfred, Legal Counsel
Ted Reid, Principal Regional Planner
John Williams, Deputy Director for Planning and Development
Re: Options for task force consideration

Task force direction to staff to date

At its June 22, 2016 meeting, the Urban Growth Readiness Task Force agreed on a framework that describes a problem statement, core values and guiding principles. The group began a discussion of possible solutions and requested that staff work with MTAC to develop a summary of possible options and considerations for moving forward. As outlined in this memo, much of what has been discussed by the task force can be done under existing state law, but would require amending Metro's Urban Growth Management Functional Plan.

The task force asked for staff suggestions in two general categories:

- Defining expectations for cities requesting modest urban growth boundary (UGB) expansions.
- Identifying additional mechanisms for adjusting the UGB.

The task force and other stakeholders have also raised the topic of how "modest" UGB expansions might be defined. This memo makes an initial recommendation regarding the scale and frequency of UGB expansions.

Suggested definition for "modest" UGB expansions

So that expectations, concerns, and solutions are right-sized, staff proposes that the task force define the potential scope and frequency of UGB expansions. Based on current proposals being considered by local jurisdictions, a maximum of 300 gross acres per year might be an appropriate size. This would allow urban reserves to last through the year 2060.¹ This would be consistent with the task force's agreed upon core value that acknowledged urban reserves will represent the maximum anticipated urban footprint for the region through the year 2060.

¹ If urban reserves are acknowledged as currently mapped, they consist of approximately 22,600 gross acres.

Suggested factors to guide decisions on whether to add an urban reserve to the UGB

The task force wishes to identify factors related to community readiness that could be considered in urban growth boundary decisions. Based on task force direction to date, staff suggests that those factors be thought of in two general categories:

1. Produce housing in less than 20 years
2. Advance regional and local desired outcomes

Since weighing these factors will necessarily entail that policy makers make judgment calls, staff does not recommend being overly prescriptive with criteria and metrics. Staff also suggests that most of the focus be on factors in the first category (demonstrating that the expansion area would produce housing in 20 years or sooner), rather than the more subjective second category (demonstrating that the UGB adjustment would advance regional and local desired outcomes).

1. Produce a variety of housing in less than 20 years

The urban growth management process improvements under discussion are intended to facilitate housing construction. Task force members have reiterated the goals of state, regional and local policies that emphasize the importance of providing housing choices, including affordable housing. Among other requirements, Title 11 (Planning for New Urban Areas) of the Urban Growth Management Functional Plan currently instructs cities to do the following in concept plans for urban reserves:

- Consider how to provide a range of housing types, tenures (rent vs. own) and prices in concept plan areas.
- Demonstrate that they have sorted out governance and infrastructure finance questions in concept plans.

Recommendations:

Staff does not suggest additional requirements for demonstrating governance and infrastructure finance capabilities since the current Title 11 language on these topics is relatively new and untested. However, to implement task force direction the following additions to Metro's Functional Plan could be fleshed out with MTAC's assistance:

- Require that cities requesting a UGB expansion demonstrate that they are proactively taking actions to encourage housing choices not only in the concept plan area, but also in existing urban areas.
- Require that cities requesting a UGB expansion demonstrate strong local housing market demand conditions such as new construction activity in the vicinity, apartment vacancy rates, housing sale prices, housing rents, and private sector expertise.

2. Advance regional and local desired outcomes

At its first two meetings, task force members provided input on the outcomes that they wish to achieve through urban growth management process improvements. Staff's assessment of possible options is organized around the common themes that were expressed.

Advance the region's six desired outcomes

The task force indicated that the six desired outcomes should be used as guidance when the Metro Council considers UGB expansion requests. The Regional Framework Plan states that it is the policy of the Metro Council to exercise its powers to achieve the following six outcomes, characteristics of a successful region:

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

Recommendations: To implement task force direction, the Functional Plan could be amended to require that cities requesting UGB expansions describe how the actions that they are taking inside their existing urban area as well as in the proposed expansion area would advance the six desired outcomes. Given that conditions vary around the region, staff recommends not being overly prescriptive in describing how cities should address these desired outcomes.

Reduce travel distances and carbon emissions

Task force members have expressed a desire to reduce workers' commute distances and carbon emissions. The suggested strategy was to add land to the UGB to create an improved local balance of housing and jobs. While this may be appealing in concept, solutions are complex in a regional economy. This is because people make multifaceted decisions about where to live and work, factoring in considerations such as school quality, work locations for all workers in the household, salary requirements, housing preferences, community characteristics, housing costs, and commute options. All cities in the region, even those with a numerical jobs/housing balance, have large numbers of residents commuting to and from other parts of the region. Additionally, most daily trips are actually non-commute trips such as running errands or taking kids to school.

Recommendations: Creating a transit-supportive mix of uses is the most promising way to reduce non-commute travel distances and carbon emissions. Title 6 (Centers, Corridors, Station Communities, and Main Streets) of Metro's Functional Plan currently lists voluntary steps that cities can take to become eligible for regional investments. Title 6 could be amended to also state that these same steps make a city eligible for UGB expansions.

Effects on areas already inside the UGB

Task force members have described wanting to avoid UGB adjustments that come at the expense of existing urban areas. Under current Metro code, potential UGB expansion areas are considered according to a number of factors, including whether the area would contribute to the purpose of centers and corridors. In practice, it has proven difficult to make substantive statements about whether UGB expansions would contribute to the purpose of centers. Related, staff believes that it would be difficult to conclude that modest UGB expansions in one part of the region would have a detrimental effect on other parts of the region.

Recommendation: Staff suggests that this concern be addressed through limitations on the size and frequency of potential UGB expansions allowable under the proposed system.

Possible mechanisms for adjusting the UGB

The task force described the challenges of past UGB expansions that were made by Metro based on estimates of regional need. These expansions often lacked local community support and the community support that did exist has often dissipated with the passage of time. Task force members described the need for future UGB expansions to be based on city requests, but to be considered in a regional context. The group identified the need for timely action to bring planned urban reserve areas into the UGB once a compelling case has been made for their inclusion.

Task force members requested that staff provide a description of options for UGB exchanges – removing non-productive areas from the UGB and compensating by adding a similar amount of buildable land by expanding the UGB elsewhere into acknowledged urban reserves. Staff suggests implementing an exchange process as a means of testing the concept planning requirements described above and understanding whether and what other mechanisms are needed in the longer term.

UGB exchanges

Some areas added to the UGB in the past have not yet produced housing. Typically, this has been because of annexation challenges, lack of community support, disagreement on a comprehensive plan, uncertainty about governance responsibilities, lack of funding for infrastructure, or weak market conditions. The area that was until recently the City of Damascus provides one example. While areas of western Damascus (now disincorporated) may annex to Happy Valley and develop, there is a widely shared view that eastern Damascus will not develop to urban densities for decades to come, if ever.

Legal framework

Existing Department of Land Conservation and Development (DLCD) rules allow local governments, including Metro, to exchange land inside the UGB for land outside the UGB “to better achieve the purposes of Goal 14.” OAR 660-024-0070(1) (Goal 14 is the statewide planning goal concerning urban growth boundaries)The rules allow such exchanges to occur without undertaking a new analysis of land need, so long as the amount of buildable land being added to the UGB is substantially equivalent to the amount of buildable land being removed. The rules also provide that the normal rules governing the location of land to be added to the UGB still must be applied to land being considered for an exchange, including the requirement that acknowledged urban reserves are the first priority of land that should be included in the UGB.

Existing Metro code allows “minor adjustments” to the UGB in the form of trades of land inside the UGB for land outside the UGB; however, those rules are fairly cursory and are more restrictive than the DLCD rules in that they only allow for “small changes” to the UGB. If the task force determines that a more extensive exchange program would provide an effective solution, the Metro rules would likely need to be amended to implement such a program. However, no changes to state law would be necessary.

Opportunities

- Can be accomplished under existing state law and administrative rules.
- Can be accomplished without needing to conduct a new housing needs analysis, forecast, or buildable land inventory.

- Provides a practical solution for addressing non-productive past UGB expansions.
- Provides a practical short-to-medium-term solution for accommodating city requests for UGB expansions into urban reserves.

Challenges

- Removing land from the UGB could be contentious with some land owners.
- Need to determine whether areas removed from the UGB become urban reserves or undesignated and, if undesignated, avoid creating urban reserve “islands” that are not adjacent to the UGB.
- Removing land from the UGB in one part of the region and replacing it in another part of the region could raise geographic equity concerns.
- Creates uncertainty for property owners in areas being discussed for removal from UGB.
- May not provide a long-term solution to the task force’s identified problem statement (eventually may run out of lands to exchange out of the UGB).
- Statewide Planning Goal 14 (Urbanization) factors still apply when deciding which urban reserve to bring into the UGB. That analysis may not always prioritize the urban reserves that cities are requesting for expansion.

Additional considerations

- The task force may wish to suggest changes to state administrative rules to facilitate the UGB swap process. For instance, it may be advantageous to remove larger areas from the UGB all at once, rather than piecemeal, and treat these as credits to be redeemed, rather than removing and adding comparable areas simultaneously as needed.
- The task force may wish to recommend a broader public engagement process to involve those who may be interested in or impacted by UGB exchanges.

For future discussion

This memo is a first attempt at fleshing out the concepts suggested by the task force. Staff suggests that policy makers consider testing out these concept planning requirements by using the UGB exchange process for modest UGB expansions. Doing so could provide a useful framework for considering whether other mechanisms for addressing UGB expansion requests are warranted in the long term, how they could function, and whether they can be achieved under the existing legal framework.

Exploring possible improvements to the region's urban growth management process

Framework for discussions in 2016

Proposal for improvements to the region's residential urban growth management process

Acknowledgment of urban and rural reserves – when complete – will represent an important milestone for our region and can change the way we manage growth going forward. Unlike the past, we will have already decided where to grow for the next several decades. With the debate about the region's potential urban footprint settled, we could refocus dialogue on the ingredients needed to get housing built (including city governance, infrastructure finance and market feasibility). The Metro Council has indicated its willingness to explore alternative paths for regional consideration of modest (to be defined) UGB expansion or adjustment requests for housing¹.

Problem statement

Under current state law, the Metro Council lacks sufficient flexibility to be able to respond to city requests for modest residential urban growth boundary (UGB) adjustments into urban reserves when cities demonstrate that they can govern the area and finance infrastructure and services and when the adjustment would advance regional and local goals.

Core values and concepts guiding this process

The following core values and concepts frame the Metro Council's interests in policy discussions:

- Consistent with Oregon's land use planning program, locally-adopted community plans and the public's core values, cities and counties are planning for most housing growth to occur in existing downtowns, main streets, corridors and station communities.
- Carefully made residential UGB expansions into acknowledged urban reserves are another source of future growth, are consistent with the 2040 Growth Concept, and can support its implementation.
- Acknowledged urban reserves represent the anticipated 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.
- UGB expansion or adjustment requests made by cities will be considered in a regional dialogue, with recommendations made by the Metro Policy Advisory Committee (MPAC) and decisions made by the Metro Council.
- UGB expansions into urban reserves will be considered based on their potential contributions to the region's Six Desired Outcomes as well as the results that they could produce for the region and requesting city. Cities requesting expansions should address topics including governance, infrastructure finance, market, the full range of housing, jobs/housing balance, carbon emissions reductions, affordability, and how to best achieve development in centers, corridors, main streets and station communities.

¹ Under existing state law and Metro policies and code, Metro already has a fair amount of discretion regarding urban growth management decisions for employment uses, including a fast-track UGB expansion process for large industrial sites that the Council adopted in 2010.

- Metro will continue to improve data and forecasting tools used for mandated growth analysis, design ways for those tools to better inform the planning process as it evolves, and meaningfully engage stakeholders in those technical efforts.

Discussion topics

In its initial conversations about this concept, the Metro Council suggested consideration of the following topics, which can happen after agreement on the problem statement:

- Consider placing limits on:
 - The size of individual UGB expansion requests (to remain true to the purpose of this concept, providing an alternative path for “modest” UGB expansions or adjustments).
 - The cumulative size of UGB expansions made over a to-be-defined planning period.
- Consider requiring that cities requesting UGB expansions or adjustments demonstrate:
 - That governance, infrastructure finance, and market conditions will result in housing development in a requested UGB expansion area.
 - That the city has taken actions to increase housing choices and affordability in its jurisdiction.
 - That requested UGB expansions or adjustments would support regional and local goals.

Engagement framework

Beginning in spring 2016, Council President Hughes will convene a regional discussion with a task force that includes Metro councilors, mayors and key stakeholders. The Metro Council will have periodic work sessions to discuss concepts that are emerging in the task force with the intent of clarifying Metro’s position when needed. Likewise, MPAC would be given periodic updates on task force discussions. MTAC would serve as a technical resource when needed. The proposed sequence for discussions is as follows:

Time period	Topic or action
2 nd quarter 2016	Agreement on problem statement
2 nd – 3 rd quarter 2016	Discussion of possible mechanisms for addressing the problem statement
3 rd quarter 2016	Task force recommendation to MPAC on process improvements
4 th quarter 2016	MPAC recommendation to Council on next steps
4 th quarter 2016	Metro Council direction to staff on next steps