

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ACCEPTING THE	)	RESOLUTION NO. 17-4764
RECOMMENDATIONS OF THE URBAN	)	
GROWTH READINESS TASK FORCE	)	Introduced by Chief Operating Officer Martha
	)	Bennett with the Concurrence of Council
	)	President Tom Hughes
	)	
	)	

WHEREAS, state law requires Metro periodically to determine the capacity of the urban growth boundary (UGB) to accommodate the next 20 years’ worth of population growth; and

WHEREAS, the Metro Council made its most recent determination of the UGB’s growth capacity by Ordinance No. 15-1361; and

WHEREAS, as part of Ordinance No. 15-1361, the Metro Council ordained that Metro would work with its regional partners to explore possible improvements to the region’s growth management process.

WHEREAS, beginning in May 2016 Metro convened an Urban Growth Readiness Task Force consisting of public and private sector representative to develop recommendations; and

WHEREAS, the Urban Growth Readiness Task Force agreed on the following core values and concepts to guide their recommendations:

- a) 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; and
- b) 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; and
- c) 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; and
- d) Rural reserves will remain off limits to urban development through at least the year 2060.
- e) 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; and
- f) 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; and
- g) 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.

WHEREAS, at its fourth meeting, the Urban Growth Readiness Task Force identified consensus recommendations for providing the Metro Council with more flexibility to respond to city requests for modest residential urban growth boundary (UGB) expansions into urban reserves ; and

WHEREAS, the Metro Council held a public hearing on \_\_\_\_\_; now, therefore,

BE IT RESOLVED that:

1. The Council accepts the recommendations of the Urban Growth Readiness Task Force as summarized in Exhibit A.
2. The Council intends to continue working in concert with its partners to seek changes to state law, Metro code and regional decision making processes consistent with the Urban Growth Readiness Task Force's recommendations.

ADOPTED by the Metro Council this \_\_\_\_\_ day of \_\_\_\_\_ 2017

\_\_\_\_\_  
Tom Hughes, Council President

Approved as to form:

\_\_\_\_\_  
Alison R. Kean, Metro Attorney

**Urban Growth Readiness Task Force recommendations**

The Task Force recommends three concepts to improve the Metro region’s residential urban growth management process. The Task Force recommends making a fourth concept (UGB exchanges) a longer-term discussion item. The three recommended concepts are generally described as follows:

1. Clarify expectations for cities proposing modest residential UGB expansions into concept-planned urban reserves

The Task Force has recommended that cities that propose residential UGB expansions should make the case that they are implementing best practices for providing needed housing in their existing urban areas as well as in the proposed concept-planned expansion area. The Task Force has recommended that staff continue to work with the Metro Technical Advisory Committee (MTAC) to achieve a balance between certainty and flexibility in proposed Metro code amendments.

2. Seek greater flexibility for addressing regional housing needs

The Task Force has recommended pursuing changes to state law to allow for a mid-cycle growth management decision process that would be capped at a total of 1,000 gross acres of expansion per mid-cycle decision. The Task Force also recommended that mid-cycle decisions be made three years after the completion of a decision under the standard six-year cycle (one mid-cycle decision per six-year cycle).

3. Seek greater flexibility when choosing among concept-planned urban reserves for UGB expansion

The Task Force has recommended that the Council have the flexibility to choose among the concept-planned urban reserves being proposed for expansion by cities rather than being required to assess all urban reserves. The Task Force further recommends that this flexibility be limited to mid-cycle decisions.

**Next steps for development of the Task Force’s recommended concepts**

As described below, some of the Task Force’s recommendations require changes to Metro code or decision-making processes while others require changes to state law.

Changes to decision-making processes:

Changes to Metro decision-making processes can help to implement concepts 1, 2 and 3. The Metro Council has previously directed that it will take an outcomes-based approach to decision making. A basic conceptual underpinning of this approach is that growth could be accommodated in a number of ways that may or may not involve UGB expansions and that each alternative for accommodating growth presents considerations and tradeoffs. An outcomes-based approach also acknowledges that housing development will only occur when there is adequate governance, infrastructure finance, and market demand, and therefore any discussion of adding land to the UGB should focus on identifying areas with those characteristics.

In practice, this will entail changes to the types and sequence of information provided to inform growth management decisions (this system would be first used for the 2018 decision):

- Future Urban Growth Reports (UGR) would stop short of identifying housing capacity deficits or surpluses (though, as described below, that analysis would be completed following Council policy direction). Instead, future UGRs would report on the possible outcomes of different urban growth management options, focusing on the specific expansion proposals made by cities. The analysis would show how all of these options could accommodate anticipated growth, but with different outcomes (perhaps marginally different, depending on the options that are proposed by cities).
- Decision makers will have access to more detailed city proposals for UGB expansions into urban reserves. Expectations for those proposals would be defined in Metro code.

Based on the above information as well as Metro Policy Advisory Committee (MPAC) advice, the Council would direct staff as to whether there is a compelling need for specific UGB expansions. Staff would then finalize the analysis required under state law and present it to the Council for adoption. A subsequent mid-cycle decision would provide the Council with an additional opportunity to consider minor amendments to the analysis and modest UGB expansions into acknowledged and concept-planned urban reserves.

Changes to Metro code:

Changes to Metro code can help to implement concepts 1, 2 and 3. The Task Force has requested that staff work with MTAC to begin drafting possible code amendments. This work is already underway. At its fourth meeting, the Task Force reiterated the need to balance flexibility and certainty in these code requirements. Reconciling those two objectives will take place through MTAC, MPAC and Council discussions.

Potential changes to Metro code would come before MPAC and Council in the fall of 2017. However, these improvements can be fully implemented only when urban and rural reserves are acknowledged region-wide and when recommended changes are made to state law.

Changes to state law:

Changes to state law can help to implement concepts 2 and 3. The Task Force recommends that Metro staff work with the regional public agency lobbyist group and other stakeholders to develop legislative concepts for consideration in the 2017 session. The Task Force recommends forming a coalition to advocate for these changes to state law and intends to meet again in January 2017 to organize for that effort.