

**State Agency Council
for Growth Issues
in the Portland Area**

1990 Report

January 9, 1991

**STATE AGENCY COUNCIL
FOR GROWTH ISSUES IN THE PORTLAND AREA**

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January 9, 1991

Governor Neil Goldschmidt
254 State Capitol
Salem, OR 97310

Governor-Elect Barbara Roberts
254 State Capitol
Salem, OR 97310

Re: State Agency Council 1990 Report

The State Agency Council for Growth Issues in the Portland Area is pleased to submit its 1990 Report for your review. Since our formation in April, 1990, we have devoted considerable time examining the various issues related to growth in the Portland metropolitan area. It is apparent to the Council that a strengthened partnership between state, regional and local interests is required to identify strategies aimed at accommodating growth while maintaining high quality of life in the region. The presence of the Council is a good first step toward strengthening that partnership.

The report which follows provides a summation of our activities in 1990 as well as six recommendations for your consideration. We would anticipate that, as the Council further defines state interests in the Portland metropolitan area, new strategies and initiatives will come forward.

The State Agency Council would like to express its appreciation to the numerous local and regional interests who have provided information to the Council in 1990. We look forward to continuing our work with these interests to identify strategies to more effectively manage the growth in the Portland metropolitan area which is anticipated.

Finally, the Council would like to express its appreciation to the Governor's office for its support of the Council's activities and the opportunity it has given the state to coordinate its growth management responsibilities.

Sincerely,



William R. Blosser
Chairman

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STATE AGENCY COUNCIL FOR GROWTH ISSUES IN THE PORTLAND AREA

1990 Report

State Agency Council Recommendations

1. The State Agency Council represents an innovative model for coordinating the interests and actions of state agencies as they relate to growth management. The work of the Council supports and compliments the state's land use planning program while recognizing that additional efforts are required in the Portland metropolitan area to address the results of recent growth.

The State Agency Council recommends that the Council continue as a forum to:

- Coordinate diverse state agency interests as they relate to growth in the Portland metropolitan area;
 - Improve the partnership between state, regional and local interests; and
 - Develop strategies and recommendations for the Governor on legislative, budgetary and other initiatives related to growth management issues.
2. The Governor-Elect should review state agency membership on the State Agency Council to ensure that key state agencies which influence growth issues and growth management are represented. The Council recommends that the Oregon Housing Agency be added to the State Agency Council. The State Agency Council will need to develop a mechanism to ensure that unrepresented agencies have an opportunity to have their views incorporated into Council actions.
 3. The Governor-Elect should review the State Agency Council's Guiding Principles and provide the Council with direction regarding their appropriateness. The Council recommends that the Governor-Elect meet with the State Agency Council at the earliest opportunity to discuss the Council's role and direction.
 4. The state's response to and participation in Metro's Regional Urban Growth Goals and Objectives should continue to be coordinated through the State Agency Council.
 5. The State Agency Council has endorsed the state's financial participation in providing a portion of the local match for the Westside Light Rail project as consistent with the Council's Guiding Principles. This endorsement was based

upon the project's ability to support the region's transportation system and to assist the region's efforts to organize land uses and related public facilities in a more efficient manner.

This endorsement was coupled with the expressed expectation that the participating agencies will commit to:

- A. Conduct a Westside Corridor Transit Station planning effort which will lead to:
 - The adoption of detailed, transit-supportive land use plans within transit station areas
 - The adoption of procedures, standards, and strategies to implement the plans
 - The identification of financial tools and incentives to support the implementation of the plans.
- B. Develop a Westside Corridor Transit Operating Plan to provide feeder bus, park and ride, suburban transit services and other transit-related support to the Westside LRT project.

This endorsement of the Westside Corridor Project and the State Agency Council's recommendations will be forwarded to the Governor and the Legislature, as they consider any state financial participation in the project.

6. One important element of the State Agency Council's work with the Portland metropolitan area in 1991 should be to develop strategies which tie land use, transportation and air quality planning and decision-making together to assure that the region avoids long-term air quality problems and to identify mechanisms to reduce reliance on the single-occupant automobile. The Council recognizes that a number of other issues must also be coordinated and integrated, such as parks and open space, infrastructure, housing and resource management issues.

I. Introduction

The State Agency Council on Growth Issues in the Portland Area was established by Governor Goldschmidt in April, 1990, to provide a forum for discussion and coordination on the various issues related to growth in the Portland metropolitan area. The Council consists of the directors of seven state agencies: Economic Development, Environmental Quality, Land Conservation and Development, Parks and Recreation, State Lands, Transportation, and Water Resources. Bill Blosser, Chairman of LCDC, chairs the State Agency Council.

Executive Order 90-10, which established the Council, set forth the following directives:

Problem Statement

The state and the region must accommodate and manage growth to maintain the region's high quality of life.

State Agency Council Goals:

1. Coordinate diverse state interests and speak with one voice on issues regarding infrastructure investments and regulatory actions that affect the metropolitan area
2. Improve the partnership between state, regional and local interests in defining a vision of the region's future urban form and quality of life
3. Advise the Governor with respect to legislative, budgetary or other initiatives that might increase state government's ability to coordinate its interests and to ensure sound growth management planning for the Portland metropolitan area.

State Agency Council's Responsibilities:

1. Identify and articulate the state's interest in the Portland metropolitan area
2. Encourage and participate in the development for the region of a vision for the Portland metropolitan area that accommodates growth while maintaining a high quality of life, and represent the state's interest and perspective in developing such a vision
3. Foster coordination among agencies to ensure that the state's regulatory and capital investment decisions in the region are consistent with both the state's interest and the region's growth management vision
4. Where appropriate, serve as a forum for problem-solving where proposed actions by one state agency may conflict with the goals of another with respect to growth in the region.

Council Activities - 1990:

The State Agency Council met eleven times during 1990. The first six meetings were devoted to briefings from various jurisdictions and groups which have an interest in growth-related activities and growth management in the Portland metropolitan area. A day-long work session with the Council was held in July to establish a set of principles which would serve as a foundation for discussion of issues. As well, a short-term (six month) Council Action Plan was developed at the July work session. The Council's Guiding Principles and the Action Plan are discussed later in this report.

The Council meetings held in the fall were devoted to two primary topics: the review of Metro's Regional Urban Growth Goals and Objectives and the Westside Corridor Light Rail Project. Council action was taken on both topics in the form of:

- Coordinating state review and comments to Metro on the Regional Urban Growth Goals and Objectives
- Endorsing the state's financial participation in the Westside Light Rail Project as consistent with the Council's Guiding Principles and establishing expectations regarding future land use and transit plans within the corridor.

Governor Goldschmidt and the chairs of the commissions of each state agency on the Council attended the September meeting.

II. Background

The Portland metropolitan area experienced substantial population and employment growth during the 1980's. While each jurisdiction in the Portland metropolitan area had in place an adopted comprehensive land use plan which complied with statewide planning goals by the early 1980's, the rate of growth, particularly in the 1985-1990 period, placed numerous pressures on public facilities and the quality of life within the region. Local, regional and state government are now at a crossroads in terms of accommodating growth which has occurred and which is anticipated.

Population and Employment Trends

The 1980-1985 period found the Portland metropolitan area and the state in the midst of an economic recession. Population growth had slowed dramatically and jobs were actually leaving both the region and the state. As a result of economic improvements in the mid-1980's both the region's and the state's growth patterns reversed the trends of the early eighties. The tables and figures which follow show the trends in population and employment growth in the Portland metropolitan area.

As the Tables indicate, the 1985-1990 period saw a dramatic rebound in growth in the Portland metropolitan area. During this five-year period population, including growth in Clark County, Washington, grew by over 120,000 people. Close to 100,000 new jobs were also added in the four county region as well. Significantly, much of this growth occurred in the suburban areas of the region. Figures 1 and 2 on Page 9 display the shifting distribution of population and employment in the Portland metropolitan area.

Population and employment forecasts for the future predict steady increases into the next century. An additional 400,000 new people and 270,000 new jobs are expected in the four county metropolitan area over the next twenty years.

TABLE 1 - POPULATION TRENDS: Portland Metropolitan Area - Oregon Portion

	1980	1985	1990	2010
Multnomah Co.	562,226	564,000	580,029	633,724
Washington Co.	245,583	264,000	308,883	441,047
Clackamas Co.	<u>241,903</u>	<u>249,000</u>	<u>277,791</u>	<u>371,753</u>
Portland Metropolitan Area	1,049,712	1,077,000	1,166,703	1,446,524
Oregon	2,633,156	2,675,800	2,828,214	N/A

Source: Metro

During the period 1980 to 1990:

- 60 percent of statewide population growth occurred in the Portland metropolitan area.
- The share of the Portland metropolitan area's population as a percentage of statewide population increased from 39 percent in 1980 to 41 percent in 1990.
- Population grew by 117,000 for an annual average population growth of 11,700.
- This growth, however, was uneven. The annual population growth between 1980-1985 was 5,500. Between 1985 and 1990 the annual rate increased to 18,000.
- Over 75 percent of the decade's population growth occurred in the 1985-1990 period.

TABLE 2 - EMPLOYMENT TRENDS: Portland Metropolitan Area - Oregon Portion

	1980	1985	1988*	2010
Multnomah Co.	372,910	347,634	387,841	470,727
Washington Co.	107,460	121,218	140,727	238,056
Clackamas Co.	<u>79,310</u>	<u>85,061</u>	<u>99,104</u>	<u>143,038</u>
Portland Metropolitan Area	559,680	553,913	627,672	851,821
Oregon	1,044,600	1,030,000	1,156,000	N/A

*Most current information

Source: Metro and Oregon Employment Division

During the period 1980 to 1988:

- **61 percent of statewide employment growth occurred in the Portland metropolitan area**
- **The share of the Portland metropolitan area employment as a percentage of statewide employment remained relatively constant at 54 percent**
- **Employment grew by 68,000 jobs for an annual average employment growth of 8,500**
- **Overall regional employment growth, however, occurred entirely between the 1985 to 1988 period. The Portland metropolitan area lost employment during the 1980 to 1985 period.**

**TABLE 3 - POPULATION AND EMPLOYMENT FIGURES - Portland Metropolitan Area
(Including Clark County, Washington)**

	<u>Population</u>			
	1980	1985	1990	2010
Multnomah County	562,226	564,000	580,029	633,724
Washington County	245,583	264,000	308,883	441,047
Clackamas County	241,903	249,000	277,791	371,753
Clark County	<u>192,206</u>	<u>205,000</u>	<u>237,277</u>	<u>352,503</u>
Total	1,241,918	1,282,000	1,403,980	1,799,027

	<u>Employment</u>			
	1980	1985	1988	2010
Multnomah Co.	372,910	347,634	387,841	470,727
Washington Co.	107,460	121,218	140,727	238,056
Clackamas Co.	79,310	85,061	99,104	143,038
Clark Co.	<u>59,139</u>	<u>60,363</u>	<u>76,960</u>	<u>121,968</u>
Total	618,819	614,276	704,632	973,789

Source: Metro and Oregon Employment Division

FIGURE 1: Share of Regional Population

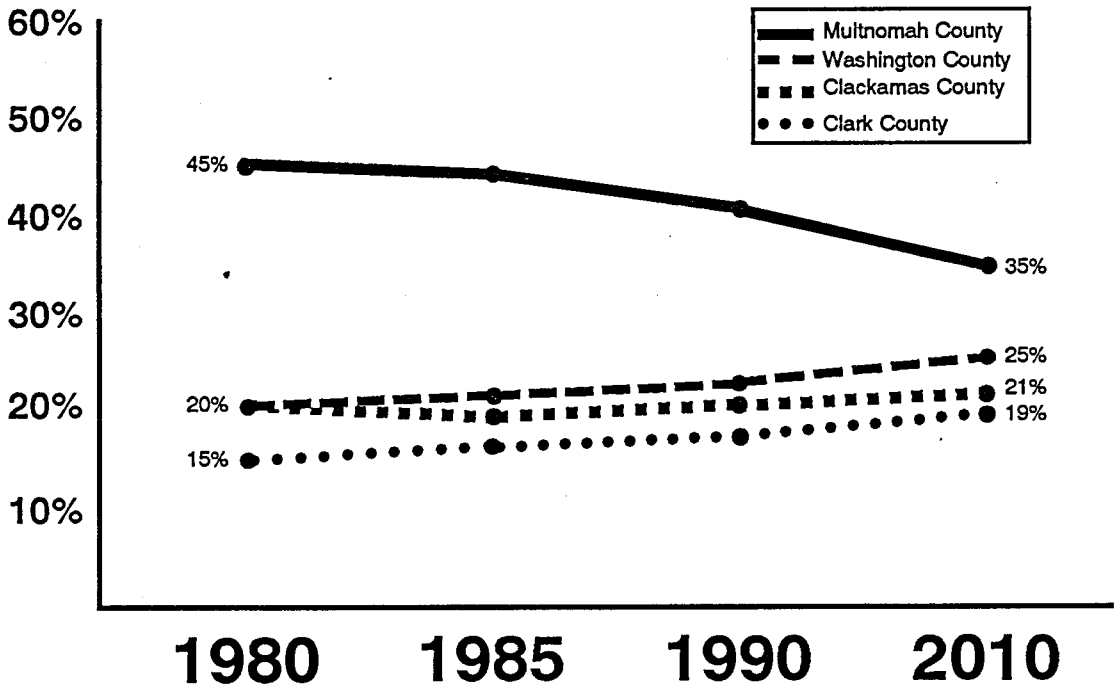
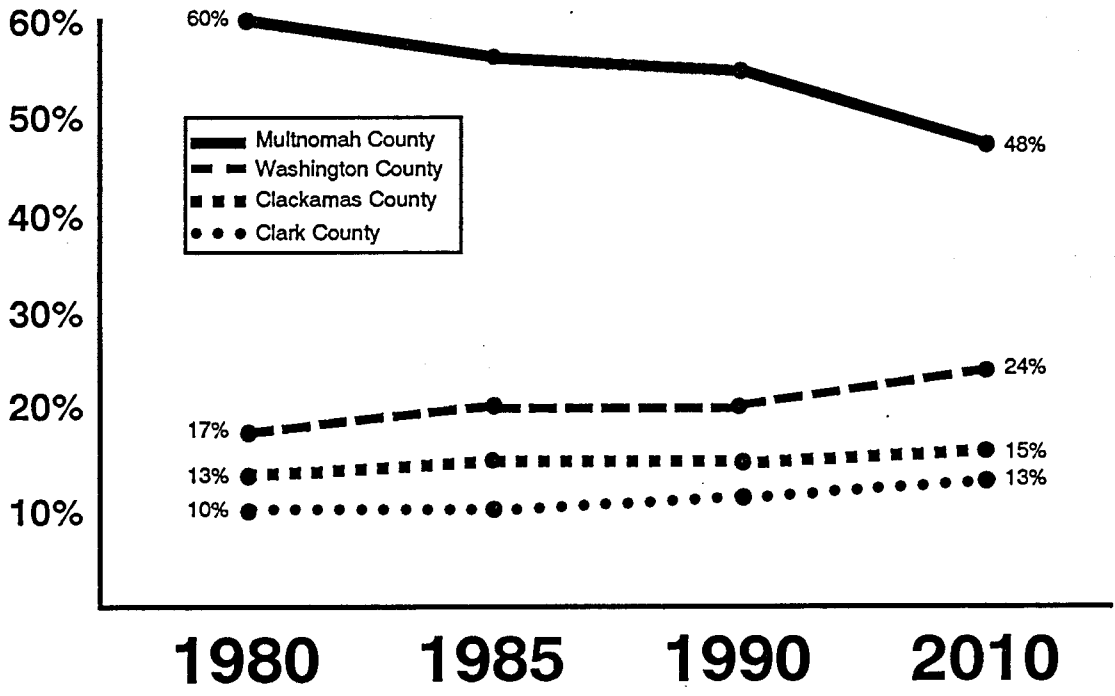


FIGURE 2: Share of Regional Employment



Emerging Issues:

As the population and employment figures indicate, the Portland metropolitan area is expected to continue its steady increase in population and employment into the next century. The anticipated increases will further strain roads, parks, air and water quality, solid waste disposal, schools, housing and other elements of the region's infrastructure. The State Agency Council has heard from a number of jurisdictions and interest groups who have emphasized the need for a stronger partnership between the various levels of government in terms of public facility investments, policy coordination and regulatory actions. As well, the Council has emphasized the need for the private sector to be a stronger partner in the critical decisions which are to come in the years ahead.

Three general topic or issue areas have emerged from the initial State Agency Council meetings which are aimed at beginning to define the Council's role and how the Council will begin to articulate and coordinate the state's interests in the Portland metropolitan area.

1. State Vision

The Council has begun to articulate key elements of a state vision and interests in the Portland metropolitan area. The Council's objective has been to establish a coordinated point of view for its participation in regional urban growth management objectives discussions. Among the elements and interests identified by the Council are:

- Maintain a healthy downtown Portland central business district
- Encourage diversity and density
- Maintain the urban growth boundary
- Consider land use/transportation relationships and long-range implications in decision making
- Balance land use/transportation plan with the vision
- Identify methods of determining the true costs of development
- Identify mechanisms to include Clark County in regional urban forum discussions and future coordination and planning activities
- Identify incentives to private industry which reinforce the Council's agenda.

2. Regional Planning Authority

Considerable discussion has focused on Metro's role in regional planning and coordination, the extent of Metro's planning authority and responsibility, and the relationship of local plans to Metro's planning authority. The Council has raised the following questions regarding regional planning and Metro's functions:

- What is Metro's existing authority and responsibility for planning
- What is this authority designed to accomplish
- Can or should this authority be strengthened
- What would the objective be in enhancing Metro's role/authority
- What is the acceptability of an enhanced role for Metro
- What steps would be necessary to accomplish an enhanced role.

3. State Agency Council's Role

Council members have indicated that the State Agency Council provides a unique opportunity for the state to develop coordinated strategies and responses to major issues affecting state interests. The Council is viewed as a means to assure consistent review and response to policy issues which affect multiple state agencies. In light of this, the Council has identified a number of activities which will help define the Council's role.

- Develop a short-range (six-year) and long-range (20-50 year) strategy document
- Develop strategies to use state investments to encourage development supportive of the regional vision
- Conduct problem-solving exercises at upcoming Council meetings to determine opportunities for integrating decision making
- Develop a coordinated response to metro's Regional Urban Growth Management Goals and Objectives
- Develop a scoping process to identify issues of importance to the Council and a mechanism to "hand-off" issues to appropriate agencies.

III. State Agency Council Guiding Principles

The Council, in July, established a set of Guiding Principles to assist their decision making and to begin to articulate elements of the state's interest in growth-related issues in the Portland metropolitan area. These Guiding Principles are:

1. Enhance methods to address and resolve regional issues
 - Identify appropriate roles and responsibilities for addressing regional issues
 - Coordinate state input/review on regional issues through Metro or other regional methods.
2. Identify True Costs of Development
 - Determine financial impacts of development outside of UGB
 - Determine potential for reflecting true costs in new development
 - Determine methods of capturing the added value of new growth through the tax system as growth occurs
3. Coordinate State Agency Responses.
 - Provide early coordination, review and response on significant policy issues of statewide interest
 - Produce a document which defines state roles and responsibilities in Portland metropolitan area
 - Develop 6/20/50 - year plan/strategy.
4. Encourage Development Supportive of Vision Through State Investment Strategies
 - Use resources to make things happen
 - Develop comprehensive investment strategies
 - Focus resources on accomplishing vision
 - Develop a coordinated state plan which reflects how the state invests in the vision.
5. Invest State Financial Resources in the Portland Metropolitan Area

6. Encourage Diversity and Density
 - Promote redevelopment and infill opportunities to achieve density patterns capable of sustaining efficient urban development
 - Encourage mixed-use activity centers and opportunities
 - Don't permit under-utilization of densities
 - Include open space allowances in new development.
7. Maintain Healthy Downtown Portland Central Business District
8. Use Large Scale Natural Features to Guide Urban Form
9. Maintain the Urban Growth Boundary
 - Ensure regional coordination in the urban influence areas when defined
 - Have LCDC define rural development policy
 - Collectively promote statewide planning goals.
10. Consider Transportation/Land Use Relationships in Decision Making

IV. State Agency Council Work Plan

The Council developed a short-term (six-month) work program in July. The elements of the work program, as well as a brief status of each element is provided below. In early 1991, it is anticipated that the Council will revisit the work program and identify any new tasks for the year.

State Agency Council Work Plan Elements

1. Prepare report documenting Council's activities, strategies and recommendations.

Next Steps

Develop outline of report and work plan which sets forth:

- State Agency Council status/process
- Summary of guiding principles
- Scope of issues before the Council
- Develop a 6/20/50 year plan/strategy
- Program for next biennium

Status

This report represents the 1990 State Agency Council Annual Report

2. Establish interim coordination process with Metro

Next Steps

Identify Metro activities requiring Council coordination and/or response in short-term (i.e., next six months) and long-term. Activities identified to date include:

- Urban Growth Management Goals and Objectives
- Natural Areas/Open Space Program
- Examination of Metro's regional planning authorities and relationship to local comprehensive planning

Status

Substantial work on this element has occurred over the summer. The Council has reviewed Metro's Regional Urban Growth Management Goals and Objectives and has prepared a State Agency Council response. This response included coordinating the review and comments of fourteen state agencies. As well, considerable discussion regarding Metro's functional planning authorities and the relationship of Metro to local government has occurred, both within the context of the Goals and Objectives and Periodic Review.

3. Develop State Agency Council budget recommendation

Next Steps

Given the product of Action Plan Element #1, identify budget requirements for Council support--both direct support (staff/special studies. . .) and indirect (agency participation)

- Examine opportunities for funding Council activities through joint agency budget requests.
- Prepare unified Council budget recommendations

Status

A budget for the 1991-1993 biennium has been prepared and forwarded to the Executive Department.

4. Participate in problem-solving effort with Council

Next Steps

Identify current agency issues for Council consideration to determine function and working role of Council as a problem-solving forum.

Each agency will identify one issue to bring forward at upcoming meetings for consideration by the Council. Issues identified to date include:

- Indirect Source Permits (DEQ)
- Westside Light Rail (ODOT)
- Government Island (Parks)

Status

The Council has considered Indirect Source Permit and the Westside LRT project in a problem-solving forum. DLCD brought proposed revisions to the Periodic Review process to the Council in October in a similar manner.

5. Provide leadership to reach decision on funding program(s) for natural areas/open space

Next Steps

This item overlaps with Action Plan Element #2 which will examine the status of regional natural areas/open space efforts presently underway at Metro. It appears as if the timing of the regional effort will postpone this element until after January, 1991.

Status

It was recognized when this issue was identified as a part of the Council Work plan that action on this element would be delayed until after January, 1991. Staff will discuss with Metro the status of their regional natural areas/open space efforts and report back to the Council at a future meeting.

6. Develop structure to provide ongoing communication and problem resolution with Clark County

Next Steps

Identify current methods of coordination between the Portland metropolitan area and Clark County on major issues such as transportation, air quality, etc. . .

Identify current shortcomings and opportunities for enhanced coordinated communication.

Status

Little direct work has been done on this work plan element, and it is unlikely that prior to the end of the year, the opportunity will be available to address this issue in any detail. The Council has recommended as part of its review of the Regional Goals and Objectives that external influences on growth (i.e., growth in Clark County) in the Portland area be recognized in the Regional Goals and Objectives.

7. Define a mechanism to ensure balance between land use and transportation plans

Next Steps

Develop an issue paper which examines the relationship between land use and transportation planning in the Portland metropolitan area. Identify methods to enhance coordination of land development and the provision of transportation services.

Status

This work plan element has been considered by the Council through both its review of Metro's Goals and Objectives and the Westside LRT project. Additionally, DLCD and ODOT are participating in an effort to develop an administrative rule intended to clarify the relationship of land use and transportation planning.

8. Articulate the key elements of the state's vision for the Portland metropolitan area

Next Steps

Refine elements of the vision discussed at Council's retreat. Establish a point of view to bring to regional discussions on future urban form and growth management. This Action Plan element will likely evolve over time as issue papers and strategies are developed by the Council.

Status

The Council has begun to articulate certain elements of the States' interest in the Portland area through its Guiding Principles and action on Metro's Goals and Objectives and the Westside LRT project.

9. Accelerate rural development/rural lands policy at LCDC

Next Steps

Identify the opportunity and methods for DLCD/LCDC to accelerate adoption of rural lands within next six months.

Status

DLCD is reviewing the work elements of the rural land issue and will provide an update to the Council at a future meeting.

10. Develop a single state response to Metro's Urban Growth Management Goals and Objectives.

Next Steps

Develop comments on Metro's Urban Growth Management Goals and Objectives to Council for review and comment.

Status

The Council received comments from 14 state agencies on Metro's Regional Goals and Objectives. These comments were condensed into a single State Agency Council response which was approved at the October 24 Council meeting.

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