

LANE  
POWELL  
SPEARS  
LUBERSKY

LLP

Wendie L. Kellington  
(503) 778-2272

February 7, 1997

Law Offices

A Limited  
Liability  
Partnership  
Including  
Professional  
Corporations

520 S.W.  
Yamhill Street  
Suite 800  
Portland, OR  
97204-1383

(503) 226-6151

Facsimile:  
(503) 224-0388

Jon Kvistad, Chair  
Metro Council  
Metro Council Office  
600 N.E. Grand Avenue  
Portland, Oregon 97232-2736

Re: Proposed Urban Reserve Findings -- URSA 31

Dear Chair Kvistad:

Enclosed is a copy of suggested revisions to the proposed Urban Reserve Findings regarding URSA 31. Our revisions are marked in bold and underlined.

We believe these additions are important to assist the Council in supporting its urban reserve decision.

Thank you for the opportunity to comment.

Very truly yours,

  
Wendie L. Kellington

- cc: Lawrence S. Shaw, Esq.
- Mr. Edward Halton
- Mr. Mark Fahey
- Mr. Len Bergstein
- Mr. Greg Leo
- Mr. Stan Mills
- Mr. Ed Starkie
- Mr. Bob Carn
- Mr. Bob Nunn
- Susan T. Alterman, Esq.
- Stacy Hitt Fowler, Esq.

LPPORT1 JACG1\WLK\10153\WLK.LTR

Anchorage, AK  
Fairbanks, AK  
Los Angeles, CA  
Mount Vernon, WA  
Olympia, WA  
Portland, OR  
San Francisco, CA  
Seattle, WA  
London, England

PROPOSED  
URBAN RESERVE AREA DESIGNATIONS  
FINDINGS AND CONCLUSIONS

I. Introduction

The Metro regional urban growth boundary (UGB) has always been Metro's responsibility under state law.<sup>1</sup> The Metro UGB has been acknowledged to comply with state law and statewide planning goals by the Land Conservation and Development Commission (LCDC). The courts have interpreted the regional UGB to be an acknowledged comprehensive plan provision of the comprehensive plans of the 24 cities and 3 counties in Metro.<sup>2</sup> No land was added to the regional UGB in its first Periodic Review, completed in December, 1992. However, detailed UGB amendment procedures, codified in Metro Code 3.01, were acknowledged at that time.

Metro's 1991 regional goals and objectives,<sup>3</sup> called Regional Urban Growth Goals and Objectives (RUGGO), first included an urban reserves Objective. It was the source of proposed legislation and LCDC's 1992 Urban Reserve Rule. Metro 1995 RUGGO, including its urban reserves provision, was acknowledged by LCDC on December 9, 1996, following 1996 amendments to the Urban Reserve Rule. The purpose of Metro's designation of urban reserves is to identify areas outside the current UGB to be reserved for eventual inclusion in the UGB. Counties, then, protect those designated areas from patterns of development which would impede urbanization by rural zoning with special features including recognition of future service corridors.<sup>4</sup>

The Metro Council is required to designate the location of urban reserve areas.<sup>5</sup> Metro's designation of urban reserve areas is required to follow postacknowledgment procedures in state law.<sup>6</sup> Therefore, notice of the urban reserve ordinance, including the approximately 18,100 acres of proposed urban reserve areas sites in Exhibit B of the ordinance, was given to the Department of Land Conservation and Development (DLCD) on December 17, 1996, more than 45 days prior to the final hearing on February 13, 1997.<sup>7</sup> Final action to adopt the amended ordinance, including about 18,400 acres designated as urban reserves, was taken on February 20, 1997. Notice of that adoption to the Department of Land Conservation and Development per ORS 197.615(1) was required by the adopted ordinance.

This urban reserve ordinance contains amendments to two acknowledged regional plans. First, the acknowledged Metro Code 3.01 UGB Amendment Procedures are amended to limit any UGB amendments to urban reserve areas in Exhibit B consistent with state law and to clarify procedures for bringing urban reserves into the UGB when needed.<sup>8</sup> Second, the 2040 Growth Concept Map in acknowledged RUGGO is amended to show the urban reserve areas designated

---

<sup>1</sup> ORS 268.390(3).

<sup>2</sup> League of Women Voters v. Metro, 99 Or App 333 (1989).

<sup>3</sup> See ORS 268.380.

<sup>4</sup> OAR 660-21-040.

<sup>5</sup> OAR 660-21-020.

<sup>6</sup> OAR 660-21-070(1).

<sup>7</sup> See ORS 197.610(1).

<sup>8</sup> See ORS 197.298(1).

in Exhibit B of this ordinance. The 2040 Growth Concept text and map, like all acknowledged RUGGO provisions, is binding on Metro, not cities and counties.<sup>9</sup>

In addition to these amendments of acknowledged regional plans, this ordinance complies with Metro's responsibility under OAR 660-21-020 to designate urban reserve areas as part of the process to include urban reserve areas in city and county comprehensive plans with protective zoning.<sup>10</sup>

## II. Need For Urban Reserve Area Land - OAR 660-21-030(1)

Urban reserve areas must include an amount of land estimated to be at least a 10-year and no more than a 30-year supply of developable land beyond that needed for the 20-year UGB. The Metro Council used the 2040 forecast restated in the Urban Growth Report. That forecast estimates that another 359,653 households and 561,800 jobs will need to be accommodated within the UGB to the year 2040. This is the same forecast that was the basis for the acknowledged 2040 Growth Concept<sup>11</sup>.

Much of that 43-year need from 1997 to 2040 will be met from the current capacity of the current acknowledged UGB. The UGB capacity to 2017 has involved updates from the early (1994) 2015 estimates used for the 2040 Growth Concept. Conflicting estimates of that updated capacity have been submitted for the record. MPAC and the Executive Officer have recommended using the, admittedly, ambitious estimates of 243,600 households and 461,663 jobs from the Urban Growth Functional Plan which assumes that the current acknowledged UGB will have a 20-year supply of buildable land to 2017 upon implementation of that Functional Plan to substantially increase development densities inside the current UGB.

However, the preliminary estimates in the Urban Growth Report, as amended by the Metro Council are 206,600 households and 461,663 jobs. The final Urban Growth Report estimate of the current capacity of the acknowledged UGB is scheduled to be determined later in 1997.<sup>12</sup> The preliminary estimates in the amended Urban Growth Report indicated that land for about 41,000 additional households may be needed in addition to land inside the current UGB for a 20-year capacity to 2017. This amended Urban Growth Report capacity for the current UGB was used to calculate urban reserve need because long-range estimates are uncertain and some urban reserves may soon be "used" to comply with the requirement in ORS 197.296 for a 20-year land supply for the UGB.

The Metro Council estimated this land need for urban reserves to 2040 at roughly 18,300 acres. This estimate is consistent with the URSA study model using the preliminary Urban Growth Report estimates of 206,600 households and 461,663 jobs for the capacity of the 20-year UGB.<sup>13</sup>

<sup>9</sup> See RUGGO, Goal I, Objective 3.

<sup>10</sup> See OAR 660-21-070(2).

<sup>11</sup> See Region 2040: Recommended Alternative Technical Appendix, September 15, 1994.

<sup>12</sup> See Resolution No. 96-2244.

<sup>13</sup> See Kvistad memo of December 11, 1996, and URSA model estimate.

In addition to the uncertainties of implementing the newly adopted functional plan capacities,<sup>14</sup> population and employment have increased faster than the 2015 forecast which was completed with the 2040 forecast.<sup>15</sup> To the extent that growth may be understated in the 2015 and 2040 forecasts completed in 1994, more urban land will be needed by 2040. By using a conservative estimate of the capacity of the current UGB, designated urban reserves are more likely to meet the need to 2040. If that supply meets the need to 2047, due to the success of the Functional Plan, the purposes of the Urban Reserve Areas Rule will have been met.<sup>16</sup> If the Functional Plan is overwhelmingly successful at increasing the household and employment capacity of the current UGB, urban reserves may be adjusted at the 15 year review required by the Metro Code procedure.

### III. Suitability Analysis and Alternatives Analysis - OAR 660-21-030(2)

#### 1. Suitability Analysis Required

The Urban Reserve Areas Rule requires that lands adjacent to the UGB be studied for suitability for designation as urban reserves measured by the 5 "location factors" of Goal 14:

- "(3) Orderly and economic provision for public facilities and services;
- (4) Maximum efficiency of land uses within and on the fringe of the existing urban area;
- (5) Environmental, energy, economic and social consequences;
- (6) Retention of agricultural land as defined, with Class I being the highest priority for retention and Class VI the lowest priority; and
- (7) Compatibility of the proposed urban uses with nearby agricultural activities."

A study model often referred to in the record as "URSA-matic," was developed to analyze data used to evaluate the suitability factors required by the Rule. Three Factors This model is a tool which provides the point of beginning for the required analysis. In most cases, it is complete and accurate. However, in certain circumstances, based on more site specific information, the more specific information was deemed more accurate and was utilized to analyze and score particular urban reserve areas.

Under the URSA-matic model, most of the suitability factors have subfactor analyses. The public facilities factor was analyzed based on (1) a utility feasibility study, for relative sewer, water, storm facility costs; (2) existing roads; (3) estimated traffic congestion; and (4) distance to existing school lands. Efficiency of land uses was analyzed based on developable area after discounting steep slopes, floodplains, wetlands. ESEE consequences were analyzed by rating (1) percentage of environmentally constrained land; (2) distance to centers; and (3) jobs/housing balance.

#### Factor 3. "Orderly and economic provision for public facilities and services"

<sup>14</sup> See Urban Growth Management Functional Plan Title 1 and exceptions in Title 8.

<sup>15</sup> See Urban Growth Report.

<sup>16</sup> OAR 660-21-030(1) requires a 10 to 30-year supply of urban reserves beyond the 20-year UGB = 30 to 50-year total supply or 2027 to 2047.



Four types of analysis were performed to address this factor:

- (1) Utility feasibility study examines the relative cost of urban water, sewer and stormwater facilities;
- (2) Road network analysis looks at the current network of local and regional roads and compares it to future needs;
- (3) Traffic congestion analysis considers likely improvements to the road system and then rates the resulting road system and its congestion for each site;
- (4) School analysis determines the distance to existing public schools and vacant school-owned land.

Relative cost of extending three basic types of urban services to urban reserve areas is labeled "utility feasibility" in the model. Utility Feasibility Analysis for Metro 2040 Urban Reserve Study Areas (June, 1996) was completed by KCM Consultants. This report estimates the type of major facility improvements needed and compares the relative cost to extend urban level services to the study areas at buildout conditions based on projected development scenarios of the 2040 Growth Concept. The higher the index rating, the lower the relative cost of providing the services. The ratings were developed from the total utility cost for each URSA site in Table B-1 of the study.

The "Road Network" analysis is a comparative analysis of the additional investment required for additional arterials and local roads. Each urban reserve area was estimated to need approximately 16% of its area for local roads and 4% for arterials. Using the TIGER street network on Metro's geographic database, all existing street were measured. The amount of street area built was compared to the amount of street area needed. These ratios were converted to scores from 1 to 10 the higher the score, the greater suitability for urban reserves.

The "Traffic Congestion" analysis was based on the commute corridors which would be used by residents of each study area. The existing transportation system, plus the set of improvements included in the financially constrained Regional Transportation Plan was used. The forecasted travel demand estimated for the year 2015, the most recent forecast available, was used.

An average peak hour volume to capacity (v/c) ratio was identified for the commute corridors. These ratios were converted to ratings of 1 to 10 with lower v/c ratio (more capacity) getting higher ratings of relative suitability for urbanization.

The "Schools" analysis used a Pedestrian Accessibility program. All vacant and developed school-owned land was used to develop scores based on walking distance along existing roads to elementary, middle, high schools and vacant land. These scores were converted to ratings of 1 to 10 with higher ratings for those study areas with greater average accessibility to schools.

**Factor 4.** "Maximum efficiency of land uses within and on the fringe of the existing urban area" Two related analyses were used for this factor. The "Efficiency" analysis rates relative suitability based on the area within each urban reserve area that is relatively free of development limitations. A series of discount rates based on steep slopes, landlocked parcels, small lot limitations was developed in the Zell Report and environmentally constrained land was removed. This report was

based on a random sample of parcels to evaluate Metro allocation of density in the 2040 studies. These discounts were applied to URSAs to create a rating of 1 to 10 with a higher rating for higher relative suitability for urbanization.

The "Buildable Land" analysis is an evaluation to determine the estimated number of acres considered suitable for development. Environmentally constrained land was removed (see Environmentally Constrained Lands map), efficiency factor discounts were applied and a reduction of 25% was applied to account for land needed for future streets, schools, parks, churches and other publicly-owned land. The percentage of buildable land for each study area was calculated. That percentage was converted to a 1 to 10 rating, the higher the score, the greater the suitability for urban reserves.

Factor 5. "Environmental, energy, economic and social consequences"

Three analyses were used for this factor. First, "Environmental Constraints" analysis identified steep slopes, floodplains, floodprone soils, wetlands, and riparian corridors. Slopes over 25%, 100-year floodplain (not currently developed or committed), NRCR floodprone soils (not committed), National Wetlands Inventories wetlands, and mapped riparian corridors were used.

The percentage of environmentally constrained land was calculated. These percentages were converted to ratings of 1 to 10 with low percentages of environmentally constrained lands receiving a higher rating of suitability for future urbanization.

Energy and social consequences were evaluated by the "Access to Centers" analysis. Distances along public rights of way to the central city, regional centers and town centers identified in the 2040 Growth Concept. Raw scores were developed for accessibility within 12 miles of the Central City, .6 miles of a regional center and 3 miles to a town center. These raw scores were converted to a 1 to 10 rating with greater access given a higher rating.

The "Jobs/Housing Balance" analysis assesses energy, economic and social consequences in Factor 5. A balance of jobs and housing in each regional center area reduces vehicle miles traveled in the region consistent with Metro's RUGGO and energy reduction goals of LCDC's Transportation Planning Rule. Providing the opportunity to develop jobs and housing near each other is expected to result in shorter trips and more travel options. Housing near jobs is also essential for regional centers to achieve economic viability in the acknowledged 2040 Growth Concept. Much of the projected traffic congestion is among regional center areas and the Central City.<sup>17</sup>

The jobs-housing balance factor for the relative suitability analysis was based on the five regional center market areas from the 2040 Technical Analysis which included Portland, Hillsboro, Beaverton/Washington Square, Milwaukie/Clackamas Town Center, and Gresham. No urban reserve will be in the Portland (Central City) regional center area. ~~The remaining four regional market areas with urban reserve study areas had jobs to housing ratios in the 2015 Forecast as follows: Hillsboro 1.47 (housing poor); Beaverton/ Washington Square 1.19 (balanced);~~

---

<sup>17</sup> See current RTP LOS Standards Map of 2015 One Hour Peak Traffic Volumes

Milwaukie/Clackamas Town Center 0.97 (balanced); Gresham 0.82 (jobs poor)(Larry an FYI to be helpful --the numbers you have here are not supported by Table 10 in the technical report and are not in the 2015 forecast. I suggest you check to be sure those numbers are supported by some evidence in the record). These ratios were converted to a 1 to 10 rating with Hillsboro and Gresham urban reserve study areas receiving a maximum 10 points for urbanization based on being the most jobs rich suburban area. This reflects a general need for housing lands to balance jobs in the Hillsboro areas, and a need for land for jobs in the Gresham area to balance housing.

A more detailed explanation of the relative jobs-to-housing ratios is found in VII.3, below.

#### Factors 6 and 7. Agricultural land

The two agricultural land factors were analyzed without subfactors. Retention of agricultural land was addressed by rating each study area for exception land, agricultural soils, land uses, including parcelization, and access to irrigation. Agricultural compatibility was analyzed for areas where farming is the most dominant activity. An error discovered in the computation on this factor was corrected in the URSA reanalysis as explained in the staff memo in the record.

The "Agricultural Retention" analysis was done on the basis of raw scores for the kinds of lands in the study area. Exception lands received varying points based on parcel size. Farm and forest lands (resource lands) received varying points based on parcel size. Additional points were given for class I-IV soils, available irrigation and for prime or unique agricultural lands. The raw scores were converted to ratings of 1 to 10 with study areas containing less agricultural land receiving a higher rating for future urbanization.

#### 2. Urban Reserve Study Areas (URSA) Analysis

Using early development of the suitability analysis, and the Region 2040 estimate from 1994 that about 14,500 acres may be needed for urbanization by 2040, the Metro Council selected about 23,500 acres for Metro to study for about 14,500 acres of urban reserves.<sup>18</sup> Most, if not all, URSAs are generally "suitable." The ratings in the September, 1996, "Background Data" presented by the Executive Officer are ratings of the relative suitability of each URSA to every other URSA based on the URSAs in the Council's resolution. The URSA study model used to produce these ratings of relative suitability compares all study areas to all other study areas for each suitability factor and subfactor. Therefore, the relative suitability ratings are an important part of the alternatives analysis required as part of determining suitability. The initial URSA analysis was completed by the Executive Officer as part of his recommendation to the Metro Council. The first variable is the 2040 forecast need for an additional 359,653 households and 561,800 jobs to be accommodated by 2040. This 43-year forecast is within the 30 to 50-year timeframe required by the Urban Reserve Rule. This forecast for a 43-year need was recommended by the Executive Officer and accepted by the Metro Council as the basis for designation of urban reserves.

---

<sup>18</sup> See Resolution No. 96-2244.

The second important variable used in the URSA study model is the estimated capacity of the existing acknowledged UGB. MPAC and the Executive Officer recommended using the estimates of 243,611 households and 461,663 jobs used for the Urban Growth Management Functional Plan. The Functional Plan requires changes in city and county comprehensive plans, seeking to accommodate 20 years of population and employment growth, to 2017, inside the existing UGB. The 243,611 households represents that estimated growth to 2017. The relative suitability ratings from the first URSA study model analysis are based on a need for urban reserves of about 14,000 acres. The Metro Council did not accept this recommendation and the different estimated UGB capacity resulting in a need of about 18,300 acres is the biggest change in the results of the reanalysis in III.3. below.

The estimated rates for redevelopment and infill used in the URSA study recognize that not all growth consumes vacant land. The rates of 30% of households and 42% of jobs being accommodated by redevelopment and infill represent a slight increase over current rates for the years 2017 to 2040.

The Urban Reserve Rule requires Metro to consider all five factors to determine suitability of land for urban reserves. The URSA study model analysis weighs each factor equally, and those which have subfactors analyzed weigh each of these equally for those factors.

Capacity determinations were made using the dwelling units (households) per acre estimated for design types of the acknowledged 2040 Growth Concept.<sup>19</sup> Since much of the areas in urban reserves was assumed to be outer neighborhood (10.0 DU, 4.1 Emp. per acre), the average density for all URSA's and all design type areas was about 9.8 dwelling units per buildable acre in both the initial URSA analysis and the reanalysis.

The recommendation from the initial analysis included an estimate that about 575 acres of URSA's would be needed to be redesignated from residential to employment uses. This is a recommendation to provide areas for economic development in jobs poor areas for the increased urban land east of the UGB when URSA's are needed. However, the study model ratings are all based on residential use. So, no specific land was identified for employment uses using the model.

Using initial computer study model developed by staff, a rating score of 50 balanced the need to accommodate need of 81,229 households and 58,079 employees on 13,995 acres of land. From that, the Executive Officer recommended excluding 362 acres of resource land and the nonresource portion of an additional site was added to yield a final recommendation of 13,893 acres including 787 acres of resource lands surrounded by exception lands. Before adjustments to the model for the analysis discussed below, changing the UGB capacity from 243,611 households to 206,600 households resulted in the rough need estimate of about 18,300 acres of urban reserves.

### 3. New Relative Suitability Ratings- URSA Reanalysis

#### a. Changes For The Reanalysis

<sup>19</sup> Town Center (15.5 DU, 41.1 Emp.), Inner Neighborhood (11.0 DU, 4.1 Emp.), Corridor (15.0 DU, 15.0 Emp.), Open Space (1.0 DU, 0 Emp.), Employment Areas (0 DU, 26.0 Emp.).

The new boundaries for several URSAs approved at the December 5 and 12, 1996, Metro Council work sessions removed resource lands from URSAs #2, 3, 10, 22, 24, 25, 29, 45, 49, 51, 61, 62, 63, 64, 65. These changed study areas boundaries would change the relative suitability ratings of those URSAs and, since all URSAs are compared to all other URSAs, the comparative rating score for all URSAs. In addition, exception land in URSA #1 was removed for environmental and services constraints changing URSA boundaries and ratings. All of these changes reduced the URSAs in consideration from 22,909 acres to 20,049 acres. URSA #47 was modified to take out 46.5 acres of floodplain. URSA #59 was modified to remove floodplain and establish a uniform boundary. (See IV, below.) URSAs #69 and 70 were modified to eliminate 461.9 acres of less efficient land.

The URSA study model, is a general tool for comparing the relative suitability of the areas studied for inclusion in urban reserves. It was used as a guide for applying the suitability factors and alternative analysis requirements of the Urban Reserve Rule by the Council. Significant testimony and data was in public hearings that was often more site specific and detailed than the regionwide application of the suitability factors in the study model. Therefore, the study model ratings were used as reference material by the Metro Council.

The basic assumptions and data used for the model were unchanged in the reanalysis. The capacities for each design type were retained. The equal weight of the factors was retained for the calculation before weight was given to Factor 4 scores of 0 (explained below). However, the key element of land need was changed as explained in II.2, above. On the summary, then, the "Current UGB HH Capacity" is 206,600 households and the "Current UGB Employment Capacity" is 461,633 jobs. The boundaries of the URSAs were changed as explained above. To match the potential households to needed households, the "minimum qualifying score" in the reanalysis was 33 and 19,123 acres were used by the model.

Two computation errors in the initial analysis were discovered and corrected in the reanalysis. In the first URSA Analysis, sites #61, 62, and 63 were erroneously included in the Beaverton-Tigard regional area, instead of the Hillsboro regional area for the jobs-housing balance subfactor rating. The computation of the agricultural compatibility rating did not correctly account for the incompatibility of urban land inside the UGB with adjacent agricultural land.<sup>20</sup>

A further change was made to obtain a meaningful differentiation in ratings for the "access to centers" subfactor. Accessibility at 20 miles from central city, 10 miles from regional center and 5 miles from town center was used for the reanalysis.

#### b. Application of the Reanalysis

Review of the relative suitability scores for Factor 4 indicated several ratings of zero for the "efficiency" and "buildable lands" subfactors. URSAs were excluded from inclusion in urban reserves if each of these subfactors were rated zero, as follows: URSAs #12, 16,

---

<sup>20</sup> See Metro staff memo of January 28, 1997 on agricultural compatibility computation.

36, and all of #3 except for approximately 8 acres needed for a road connection for existing development were excluded from the URSA's to be evaluated for inclusion as urban reserves. The reason for this "weight" on Factor 4 subfactors is to avoid the futility of adding lands to urban reserves which would eventually extend the UGB, but yield almost no efficiently buildable land. As a result of these exclusions, 243.3 acres selected by the model were excluded and 8 acres retained from these study areas.

URSA's #4 and #68 were retained for a logical boundary despite the subfactor zero ratings because these areas are surrounded by the existing UGB. URSA #67 was further revised after review of the second run of scores. Approximately 48 acres of resource land and 30 acres of rural residential exception land in the northwest corner of #67 were removed from consideration. This change retained a logical boundary, removed unbuildable forest resource land and the steep slope exception lands of greatest inefficiency. This increases the efficiency and buildable lands for the remaining URSA #67. The remaining 318-acre area still has about 109 buildable acres.

Review of the remaining selections of the model resulted in additional exclusions and one addition. URSA sites 21, 27, 28, 38, 71, 72 were excluded as resource lands. That removed about 180.5 acres selected by the model. URSA #20 of 159.6 acres was excluded based on its parcelized existing development, location above to two creek drainages and evidence in the record of storm drain and septic problems on the steep slopes of its boundaries so severe that existing houses have broken apart from earth movement under them.

Three additional URSA's were removed for consideration of uniform boundary. URSA #40, 35.5 acres with 11.9 acres of resource lands, was excluded to retain Graham's Ferry Road as the logical boundary in that area adjacent to Wilsonville. URSA #60 of 279.8 acres with 140.5 acres of resource lands was excluded in favor of the smaller URSA #59 of about 35 acres of resource lands. This would retain the existing UGB boundary at Council Creek in that area adjacent to the City of Cornelius.(see VII below). URSA #46 of 111.6 acres of exception land and 5.7 acres of resource land with only about 73 buildable acres is surrounded by resource land. It was excluded to retain Highway 99W as the logical boundary for a compact urban form in that area adjacent to Sherwood<sup>21</sup> consistent with the 2040 Growth Concept and to retain existing farm uses west of 99W. All of these exclusions of study areas which met the qualifying score of the reanalysis reduce the selections of the study model reanalysis by about 1104 acres, from 19,123 to 18,019.

One small area with a low score in the second URSA analysis was added due to a specific land need. URSA #56 contains about 38.2 acres adjacent to 67 acres of existing industrial zoned land inside the UGB in Forest Grove. This parcel is surrounded by floodplain and the record demonstrates a specific land need to accommodate additional jobs for Forest

---

<sup>21</sup> See Metro staff memo of January 30, 1997 on transportation facilities at 99W and Mt. Hood Parkway which describes 99W as a four-lane, limited access highway with shoulders and a median strip for a right-of-way of about 120 feet.

Grove to meet its employment requirements under the Urban Growth Management Functional Plan. (See VII, below.)

The result of these Council actions on urban reserves is the inclusion of approximately 18,057 acres in urban reserves.

#### 4. Comparison of Selected URSAs to Non URSA Exception Lands

The selection of about 18,057 acres from the 23,000 acres studied for relative suitability used the URSA study reanalysis as a guide. These suitable lands must be compared to other lands, especially exception lands not included. This comparison includes both a comparison to other URSAs already completed using the study model as explained in III, above, and comparison to lands not selected for Metro study as URSAs. This involves revisiting the reasons for not including some lands for study as URSAs and the reasons for not including some exception lands after they were studied.

##### A. URSA Exception Lands (Studied, but not included)

1. URSA #46 (Sherwood) as seen on the site map in the "Background Data" at page 76 contains 111.6 acres of exception land and 5.7 acres of resource land west of Highway 99W. It is surrounded by agricultural land. This area is partially tree covered with several filbert orchards and other farming activities. Under this circumstance, 73 buildable acres of exception land with a qualifying suitability was not included as an urban reserve area to retain Highway 99W as a logical service boundary and barrier to future urban development needed to assure a compact urban form consistent with the acknowledged 2040 Growth Concept. This allows existing farming and rural residential uses on the property to be retained as a buffer between land to be urbanized in the future and rural land. In addition, the poor agricultural compatibility result from allowing future urbanization across 99W into an area of resource land was heavily weighted for this URSA. As Highway 99W leaves the UGB in this vicinity it becomes a "green corridor" in the 2040 Growth Concept. Encouraging additional access to this access Oregon Highway from the west side of 99W in the vicinity of this "green corridor" is inconsistent with the Oregon Transportation Plan and the acknowledged 2040 Growth Concept.

2. URSA #20 (Holly Lane). This is a small area of about 160 acres adjacent to Abernathy and Newell Creek canyons, with steep slopes on several sides. Holly Lane development is built on top of an historic landslide hazard area. Five houses in Holly Lane broke apart this winter due to land movement under them (see KATU videotape). The area is developed with septic systems. Even though it is nearly all exception land, increased development by future urbanization is not appropriate in this proven hazard area despite the study model ratings.

3. URSA #60 (N. Cornelius). This study area is bisected by Susbauer Road running north and south and Council Creek running east and west. The URSA contains 280 acres, 140 acres each of exception lands and resource lands. Only about 139 acres are buildable due to significant environmental constraints. This study area was excluded removing 140 acres of resource lands in favor of #59 to retain a consistent UGB based on Council Creek and to meet the specific land need described in VII below.

4. URSA #1 (S. Gresham) as seen on the site map at page 31 of the "Background Data" contains about 500 acres of exception land east of U.S. 26 that was not included as an urban reserve area. US 26 is an Access Oregon Highway scheduled for improvement in the Mt. Hood Parkway project as a four-lane, limited access highway which becomes a "green corridor" under acknowledged RUGGO policy as it leaves the UGB. U.S. 26 is both a logical boundary and the barrier to future urban development as part of the Gresham community. Retaining this barrier as the logical boundary for the eventual UGB is consistent with acknowledged UGB amendment procedure and helps assure the 2040 Growth Concept policy of compact urban form.

Also, development west of U.S. 26 would violate the acknowledged RUGGO policy of maintaining separation between the Metro UGB and the Sandy UGB. The record demonstrates from City of Gresham testimony relied upon by the Metro Council that the provision of urban services across U.S. 26 would not be orderly or efficient.

The service difficulties for all of URSA #1 and the large East Damascus exception lands are demonstrated in the 1995 KCM Utility Feasibility Analysis. URSA #1 was the only above average cost area included in 1996 URSAs to be studied for inclusion in urban reserves. A large area of hilly exception lands to the south of URSA #1 which was included in the URSAs for the September 1995 KCM study was eliminated from further consideration based on the KCM relative cost information and the unresolved governance issues for servicing these lands.

First, the 1995 KCM study summarized its composite service data, identifying "above average cost" areas on Figure 3. All of URSA #1 (1E) and about half of the East Damascus to Gresham area (1D, 1E, parts of 1B, 1C) was in that composite ranking for water, sewer and storm drainage. The 1995 KCM study, at page 6, noted the significant variations in terrain and complex governance issues for service providers. The KCM study expressly did not consider either institutional or governance issues for any of the areas it studied. The above average utility service cost, the hilly terrain (water service about 800' elevation adds expense), and the distance from urban services provided by an incorporated city (Happy Valley is serviced by rural service districts) caused most of the East Damascus exception land that could not be served by Portland or Gresham with gravity sewer and storm drainage to be removed from further study as unsuitable. URSA #9 was retained as part of the area to be served by the Damascus Town Center in the 2040 Growth Concept (part of acknowledged RUGGO). This is consistent with the Village Concept and the Damascus Village alternatives in Calthorpe's 1994 Regional Design Images. The center of the Damascus Town Center is the Foster Road-Highway 213 intersection in URSA #8. The area in URSA #9, a composite "average cost" to serve in the 1995 KCM study, was retained for study and included in urban reserves as part of the Damascus Town Center.

However, URSAs #1 and 2 were left in 1996 URSAs at the watershed boundary for gravity sewer service to Portland as described in the study at page 11. Also, this area is the least costly of all areas studied for storm drainage as described on page 17. The physical proximity of this area to Portland and Gresham further reduces the governance issues for providing the three urban services studied by KCM, as well as police, fire, parks, transportation and schools.



Wilsonville contained the only other study areas identified by the 1995 KCM study as "above average cost" for composite utility service cost. However, the study, at page 2, noted that Wilsonville sites on Figure 3 have economies of scale for sewer and water service if these areas are all added to urban reserves. The KCM ratings do not reflect these interactions among sites. Each rating is site specific. Therefore, Wilsonville URSA's were retained for study despite the composite KCM rating based on the limitations of that rating and the city's stated desire and ability to provide governance for provision of urban services.

**B. Exception Lands Not Studied**

Continuing around the region on the Exception Lands Map, the following exception lands were not extensively studied and considered unsuitable for the following reasons:

- East of Gresham: The Slopes map shows that this area is predominantly slopes greater than 25% adjacent to a steep sloped creek canyon. Such lands were deemed unbuildable in the 2040 Growth Concept. (See Unbuildable Lands Map.)
- North of URSA's #15, 16: The Slopes map shows that this area is predominantly slopes greater than 25% adjacent to a steep sloped creek canyon. Such lands were deemed unbuildable in the acknowledged 2040 Growth Concept. (See Unbuildable Lands Map.)
- East of URSA #10: The Slopes map shows that this area is predominantly slopes greater than 25% adjacent to a steep sloped creek canyon. Such lands were deemed unbuildable in the acknowledged 2040 Growth Concept. (See Unbuildable Lands Map.)
- East of URSA #12: The Slopes map demonstrates the same slopes east of URSA #12 that caused that study area to receive a zero efficiency rating that led to eliminating that study area from inclusion in urban reserves.
- South, East and West of URSA #13: The Clackamas River was selected as the logical boundary in this area because the lands south of the river are floodplain as are the exception lands to the east and west of URSA #13. (See Floodplains Map.)
- Surrounding URSA's #17, 18, 19, 22, 24: The slopes, as indicated on the Slopes map and Oregon City's testimony in the record demonstrate the service limitations of these exception lands. Based on discussions with Oregon City staff about their testimony in the record and the following supplementary analysis by the City Engineer, approximately 7 acres of resource land was removed and a net 338 acres of exception land added to the boundaries of URSA's #17, 18, 19, 22, 24, 25 and 26:

"The city's Water Master Plan calls for new water reservoirs in the Park Place area and south east of the city. As with sanitary pump stations, these reservoirs do not provide additional capacity. Capacity is provided only at the water intake and filtration plant. The reservoirs provide the water pressure experienced at an individual water tap, and provide storage for fire fighting purposes.

URSA #17: This site is in the Park Place area, generally between Forsythe Road and the existing Oregon City city limits. This area generally slopes gently to the north and west. The amended URSA boundary was obtained by following the existing property lines around the URSA boundary.

The proposed Park Place Water System improvements to be built in the Stoltz Road area will be able to supply pressures and volume into this area. Sanitary sewer can be easily extended into this area. There are no extensive new road connections required; however, there will be improvements required to Forsythe above Front Avenue. Front Avenue and Forsythe are already classed as Collector Streets by the Transportation Master Plan.

This area naturally drains into the Clackamas River. The Clackamas River is one of the three "pristine rivers" contained in the DEQ Three Basin Rule (the other two are the McKenzie and the Santiam). This area will have to have storm drainage water treatment applied prior to discharge.

While there may be additional area in the immediate vicinity of URSA #17 that appears to be suitable, additional area beyond amended URSA #17 will necessitate additional storm outfalls. Each outfall will have to be individually treated to maintain the purity of the Clackamas River.

URSA #18: This site is in the Park Place area, generally at the top of the hill east of the current city limits. The amended boundary reflects the extension limits of gravity sanitary sewer. This area generally slopes gently in all directions. The URSA boundary follows existing property lines.

The proposed Park Place water system improvements to be built in the Stoltz Road area will be able to supply pressures and volume into this area. Sanitary sewer can be easily extended into this area. There are no extensive new road connections required; however, there will be improvements required to Holcomb Boulevard. Holcomb is classified as a Minor Arterial in the City Transportation Master Plan. The majority of the storm drainage will probably be into the Livesey Basin. The rest will be into another side creek of Abernethy Creek east of Livesey.

URSA #19: This site is in the Overlook area, south of Livesey Road. This area slopes down toward Redland Road. The amended boundary follows the existing property lines around the original URSA.

Oregon City is currently providing water service in this area through the old Park Place water district lines. These lines will have to be upgraded regardless of the Urban Reserve demand. Sanitary sewer service can be provided from the Tri-Cities County Village interceptor line currently in Redland Road by crossing Abernethy Creek at the Holly Lane bridge. Storm drainage will be to Abernethy Creek. There will be a need to develop an additional vehicular access to Livesey Lane; however, this is currently needed to provide adequate service to the existing area.

URSA #22: This site stretches from Thayer Road across Maple Lane east of the existing Urban Growth Boundary. This area generally slopes to the east and north into the Abernethy Creek drainage. The amended URSA boundary follows the existing

property lines around the original URSA except a small area north of Thayer Lane. In this area there is an existing suburban type subdivision that was created under Clackamas County rules. This area is on septic tanks and utilizes urban services (water is supplied by a water district and access is through Urban Reserve study areas). The amended URSA boundary includes the urban level of development in that subdivision.

Water service is currently provided by Clackamas River Water District and could be provided by Oregon City with connecting lines to the existing system. Sanitary sewer can be provided from the Tri-City line into Country Village, and from the Highway 213 Tri-City interceptor. There will probably be a requirement for a common pump station south of Thayer Road serving both #22 and #24. This area will need a major road connecting Maple Lane to Thayer, perhaps by extending Holly Lane. Storm drainage is into Abernethy basin.

URSA #23: This site is north of Loder Road just east of Oregon City limits. This area generally slopes to the east and north. The amended URSA boundary follows the existing property lines around the original #22 and #24 boundaries.

Water service is currently provided by Clackamas River Water District and could be provided by Oregon City with connecting lines to the existing system. Sanitary sewer can be brought in from the existing trunk line installed in Beaver Creek Road to Clackamas Community College. Loder Road will require upgrading from Local Street status to Collector. Storm drainage will be into the Abernethy drainage.

URSA #24: This site straddles Loder Road east of the Oregon City limits. This area generally slopes north. The amended boundary follows the existing property lines around the original URSA boundary except an area at the east end of Loder Road. In this area there is an existing suburban type subdivision that was created under Clackamas County rules. This area is on septic tanks and utilizes urban services (water is supplied by a water district and access is through Urban Reserve study areas). The amended URSA boundary includes the urban level of development in that subdivision.

Water service is currently provided by Clackamas River Water District and could be provided by Oregon City with connecting lines to the existing system. Sanitary sewer will require a pump station at the north edge of the area near Thayer Road, in common with URSA #22. A north-south collector road will be required the full length of the area connecting Loder Road to Beaver Creek Road near Glen Oak Road. There is a state-recognized private airport currently operating on the large north-south oriented parcel south of Loder Road. Storm drainage will be to the Abernethy basin.

URSA #25 is the area south of the existing Urban Growth Boundary, across Henrici Road to Beaver Creek and Wilson Road. The amended URSA boundary follows the existing property lines around the original URSA boundary except an area at the east

end on Henrici Road. This area contains many small acreage lots with single family residences.

Water service is currently provided by Clackamas River Water District and could be provided by Oregon City with connecting lines to the existing system. Additional water reservoir capacity will be required to serve this area. A small reservoir is currently being shown as necessary to provide service to a small area near Henrici Road currently within the city. This reservoir could be combined with the one necessary to serve the Urban Reserve. Both Beaver Creek Road and Highway 213 will need to be improved to provide service. Additional north-south and east-west collectors will be required. Henrici Road will need to be improved to Collector or Minor Arterial status. Storm drainage will be split between the Abernethy basin and the Beaver Creek basin.

URSA #26: This site is the Leland Road and Beaver Creek area extending from west of Highway 213 east to a point about halfway between Ferguson Road and Beaver Creek Road, and south of Williams Road. The amended URSA boundary follows the existing property lines around the original URSA boundary except an area at the east end of Leland Road and at the extreme south end.

In the Leland Road area west of Highway 213, there are existing suburban type subdivisions that were created under Clackamas County rules. This area is on septic tanks and utilizes urban services (water is supplied by a water district and access is through Urban Reserve study areas). The amended URSA boundary includes the urban level of development in that subdivision.

Water service is currently provided by Clackamas River Water District and could be provided by Oregon City with connecting lines to the existing system. Additional water reservoir capacity will be required to serve this area. Both Beaver Creek Road and Highway 213 will need to be improved to provide service. Additional north-south and east-west collectors will be required. Ferguson Road will be upgraded. Storm drainage will be to Beaver Creek.

URSA #29 is at the southwest edge of the Urban Growth Boundary straddling South End Road. The amended URSA boundary follows the existing property lines around the original URSA boundary."

- West of URSA #30: This is a steep slope region as indicated on the Slopes map, with some slopes greater than 25% and much of the terrain 18-24% slopes. The boundary of URSA #30 was based on the watershed boundary that would allow gravity sewer to be provided through the City of West Linn.
- South of I-205: The Slopes map shows greater than 25% slopes which are considered unbuildable for urban development just beyond I-205. Therefore, I-205 was selected as the logical boundary south of URSA #34. Clear boundaries enhance a compact urban form consistent with the 2040 Growth Concept.

- Between URSA #42, 43, 44: Metro's acknowledged RUGGOs in Objective 22. applies the separation of communities concept to urban reserves. Designation of urban reserves on exception land between the 2040 Growth Concept Town Center of Tualatin and Wilsonville would encourage urban development to cause these communities to grow together when the land is needed for UGB expansion. This would violate Metro's own adopted and acknowledged regional goals and objectives which are binding on Metro per ORS 268.380.
- South of URSA #45: Resource land in URSA #45 was removed from that urban reserve area because it was contiguous to a large area of farmland. The exception lands surrounding that farmland to the south contain steep slopes as shown on the Slopes map. The westernmost area near the creek contains floodplains. (See Floodplains map.)
- North of URSA #46: As indicated above, URSA #46 was studied, but not included in urban reserves because it is surrounded by farmland outside the southwestern boundary of the region established by Highway 99. The exception lands north of URSA #46 and adjacent to Highway 99 are similarly surrounded by resource lands. These exception lands contain some slopes greater than 25% and 18-24% on the Slopes map.
- Between URSA #47 and 48: The record indicates that these lands are (1) predominantly in the flood plain and flood prone soil and (2) limited access to water service. (See Flood plains map).
- West of URSA #49, South of URSA #50, and South of URSA #51: The boundaries of URSA #49, 50 and 51 were based on the watershed boundary as shown on the Watershed map. That is the boundary for gravity sewer service for these exception lands. To efficiently serve the next watershed, the entire watershed, which is resource land, would be served. So, the exception lands west of URSA #49, south of URSA #50, and south of URSA #51 surrounded by resource lands were not extensively studied for inclusion in urban reserves.
- East of URSA #60: The exception lands between Hillsboro and Cornelius were not included in study areas because of Metro's separation of communities policy (see URSA #42-44, above), and because about half of the exception lands are floodplains as shown on the Floodplains map.
- North and West of URSA #61 were not studied because it contains predominantly flood prone soils and floodplains.(see Flood Plains map).
- North of URSA #65: This small area of exception lands are surrounded by resource lands and Brugger Road was selected as the logical boundary to enhance a compact urban form consistent with the 2040 Growth Concept.
- East of URSA #66: This small area of exception land is surrounded by resource lands, steep slopes and accessibility to sewer trunk lines.

#### IV. First Priority Lands - OAR 660-21-030(3)

The Urban Reserves Area Rule requires that exception lands and any resource lands "completely surrounded" by exception areas which are not "prime and unique agricultural lands" be the first lands included in urban reserve areas:

"First priority may include resource land that is completely surrounded by exception areas unless these are...prime high value crop areas as defined by Goal 8 or prime or unique agricultural lands as defined by USDA."

Based on the functional plan capacity estimate for the current UGB of 243,611 households, the Executive Officer recommended designation of 13,893 acres as urban reserves, all first priority lands. Of that, about 787 were resource lands deemed to be "completely surrounded" by exception lands areas, consistent with this subsection of the Rule.<sup>22</sup> However, USDA data received subsequent to the Executive Officer recommendation indicated that about 715 acres of these surrounded resource lands are predominantly prime and unique agricultural lands. Seventy-two acres of the 787 acres of resource lands in URSA #31 are not predominantly prime and unique, and are first priority urban reserves in an area "surrounded" by exception land. land in URSA #33, (Larry, I think nearly all of the 72 acres are prime and unique, but URSA 33 as a whole is not even composed of EFU zoned land, but rather of exception land. This is just to be helpful. I really don't personally care about 33.) URSA 33 is a first priority urban reserve because it contains exception and EFU land which EFU land is "completely surrounded" by exception areas.<sup>23</sup>

To take into account increased growth from the 1994 estimates and other factors affecting long-term land need,<sup>24</sup> the Metro Council used 18,300 acres as the rough estimate of land need to 2040. That land need required designation of more urban reserve areas to meet the need for land to 2040 than recommended by the Executive Officer.

There are several areas of EFU zoned land that are completely enclosed by exception areas. Most However, most of these surrounded areas were are lands excluded from first priority. The "completely surrounded" standard was interpreted to mean that resource lands were enclosed by exception lands or urban land (inside the UGB).

URSA #31 has 615 acres of resource land that is an area status under the urban reserve rule because they are predominately composed of high value or prime or unique agricultural land. Unexcluded EFU land is EFU land that is not prime or unique or high value crop land.

The "completely surrounded" standard of the urban reserve rule is herein interpreted to apply to unexcluded EFU zoned land, completely surrounded by exception land. (See areas. In this regard, where one side of the urban reserve is adjacent to the UGB, the side of the urban reserve adjacent to the UGB is considered surrounded by "exception areas" for purposes of the urban reserve rule. Moreover, the specific reference in the Urban Reserve Rule to "exception areas," rather than specific exception parcels, makes it clear the rule does not require the unexcluded EFU zoned land be enclosed by specific exception parcels. Rather, the unexcluded EFU zoned land within an urban reserve must be completely enclosed by an area which is majoratively composed of exception lands. The use of the term "exception areas" expresses the analysis in gross terms. This expression of the state first priority urban reserve standard, recognizes that unexcluded EFU zoned land, completely surrounded by exception areas, is disproportionately and severely impacted by urbanization and its value as agricultural land is severely compromised by existing

<sup>22</sup> See summary at p. 5 of Executive Officer Recommendations, September 3, 1996.

<sup>23</sup> See Urban Reserve Study Areas, Prime and Unique Farm Land map.

<sup>24</sup> See III, below, explaining the preliminary Urban Growth Report estimate of UGB capacity in detail.

urbanization. Accordingly, the existence of relatively small, intervening parcels of EFU zoned land between a particular designated urban reserves and an enclosing exception area, does not foreclose first priority status for that urban reserve.

URSA #31 is composed of 736 acres of land, 615 acres of which is zoned EFU. The land zoned EFU within URSA 31 is neither predominately prime or unique agricultural land as those terms are defined in the urban reserve rule, nor is it predominately high value crop land as those terms are defined by Goal 8. URSA 31 is adjacent to the UGB and is completely surrounded by exception areas. It is effectively an island of EFU zoned land, with a large and deep envelope of exception lands completely surrounding it. In addition, one of its boundaries is adjacent to the UGB. That URSA 31 is completely surrounded by urbanization and exception areas is dramatically illustrated in the 1996 aerial photograph of the area included in the record.

URSA 31 satisfies the first priority urban reserve "completely surrounded" standard in an additional and alternative way. URSA 31 is part of Metro Council URSA 204. Metro Council URSA 204 is composed of URSA 31, 32, 33 and 34. URSA 31, 32, 33 and 34 are part of an area of land referred to as the Stafford triangle. The entire Stafford triangle was studied in 1991 for potential urbanization. See Clackamas County Urban Fringe Development Capacity Analysis. In 1994-96, most of the Stafford triangle was studied by the Metro Council as URSA 204 as a candidate for potential urbanization under the urban reserve rule. The Stafford triangle is absolutely and completely surrounded by significant urbanization and exception lands. (See the Lake Oswego Quadrangle map). This area is not predominantly "prime and unique" soils. Therefore, this land is within First Priority urban reserves. Alternatively, this Map and the 1996 aerial photograph). The Council has studied all of the evidence and alternatives and concludes it wishes to designate as urban reserves most but not all of the EFU zoned land within the Stafford triangle. It chooses to leave the small intervening amounts of unexcluded EFU zoned land within the triangle outside of the urban reserves at this time. The soils underlying the EFU zoned land in the Stafford Triangle, including URSA 31, are not predominately prime and unique agricultural land and are not high value crop land as those terms are defined in Goal 8. URSA 31 is part of the larger Stafford Triangle area that is itself surrounded by exception areas. This furnishes an additional reason why URSA 31 is properly considered first priority land under the urban reserve rule.

OAR 660-21-030(3)(b) &(c)

In addition, and in the alternative, URSA 31 also satisfies OAR 660-21-030(3)(b) and (c).

Regarding OAR 660-21-030(3)(b), the EFU zoned land within URSA 31 has already been determined to be "marginal" by Clackamas County, at page 5 in the 1991 Urban Fringe Capacity Analysis, referred to above. Specifically, that study states:

"Soils are marginal in the pocket of agricultural resource land that encompasses approximately 1000 acres in the center of the study area. Approximately three-quarters of this EFU zoning district is composed of marginal Class III and IV soils; the remainder is Class II. Since it is

completely surrounded by exception areas and the urban area, its value as farm land would diminish. In addition, this area would necessarily be needed to be urbanized if the surrounding exception areas were in order to provide services efficiently."

URSA 31 is within this Clackamas County Urban Fringe Capacity Study area. Therefore, URSA 31 is EFU zoned land that merits inclusion as an urban reserve in advance of lands of lower priority under OAR 660-21-030(3)(b).<sup>25</sup>

Moreover, the lower quality resource land would be in URSA 31 is appropriately included in the urban reserves as "secondary" land as lower priority lands that are included before other resource lands, under OAR 660-21-030(3)(c).

URSA #32 has 76 acres of resource lands surrounded on three sides by the UGB in an area completely surrounded by exception lands. (See Lake Oswego Quadrangle map). These resource lands are not prime and unique soils. Therefore, these lands are within First Priority urban reserves. Alternatively, this lower quality resource land would be included in urban reserves as "secondary" land as lower priority lands that are included before other resource lands.

URSA #33 has 72 acres of resource lands in an area surrounded by exception lands. (See Lake Oswego Quadrangle map). Therefore, these lands are within First Priority urban reserves. Alternatively, this lower quality resource land would be included in urban reserves as "secondary" land as lower priority lands that are included before other resource lands.

URSA #44 has 114 acres of land shown in resource zoning that is being used as the Tigard Sand and Gravel rock quarry. (See Sherwood Quadrangle map). If this has an resource soils remaining, this is not prime or unique resource land. Efficiency in providing urban services to the exception land, particularly a grid system of roads consistent with the 2040 Growth Concept, will require crossing most of this quarry site at the same time in the future. Alternatively, this lower quality resource land would be included in urban reserves as "secondary" land as lower priority lands that are included before other resource lands.

URSA #69 and 70 with about 42.5 acres of resource lands are in an area surrounded by the UGB and exception lands. (See Linnton Quadrangle map). These lands are not "prime and unique" soils. Therefore, these resource lands are within First Priority urban reserves. Alternatively, this lower quality resource land would be included in urban reserves as "secondary" land as lower priority lands that are included before other resource lands.

---

<sup>25</sup> OAR 660-21-030(3)(b) refers to land designated as marginal under a repealed statute, ORS 197.247. Since the rule was readopted in November, 1996, after the date ORS 197.247 was repealed (1993), it is assumed LCDC meant to continue to prioritize land zoned EFU, but otherwise determined to be marginal. Here, the determination that URSA 31 is marginal predates the repeal of ORS 197.247 and is a legislative determination by Clackamas County regarding the same. The Council hereby adopts that previous County determination regarding the marginal character of the EFU zoned land.



V. Lower Priority Lands

If Where, as here, all first priority lands are needed and included, the Urban Reserve Areas, the Urban Reserve Rule provides for inclusion of lower priority lands and use of limited exceptions to the priorities for "maximum efficiency and "specific land need." Much of the resource land in the first priority above and in the "maximum efficiency" exception below are non-prime resource lands within the "secondary" lands for these lower priority lands.

In addition, the Metro Council found finds a "specific land need" exceptions for URSA # 31, #41 (Wilsonville), #56 (Forest Grove), and #59 (Cornelius).

VI. Exception to Priority Lands: Maximum Efficiency on First Priority Lands

Resource land parcels surrounded or nearly surrounded by exception land may be needed for urban reserves, even if they contain predominantly prime and unique soils. Much of the 787 acres of resources lands identified and recommended by the Executive Offices as "surrounded" has these characteristics. In addition, acres parcel east of the Damascus property in URSA #41 is needed for the extension of two existing roads and sewer connections to efficiently serve lands in the existing UGB and first priority urban reserved exception lands.<sup>26</sup>

URSA #1 had 163 acres of resource land in two parcels. All of that resource land is in an area of resource land which is surrounded by UGB and exception land (see Damascus Quadrangle Map). the northernmost parcel will service from the north (Gresham). Therefore, urban for the exception land in URSA #1 must connect through this parcel. The other parcel is necessary for a grid of road connections consistent with the 2040 Growth Concept and Title 6 of the UGM Functional Plan.

URSA #2 has 121 acres of resource land adjacent to the UGB that is in an area surrounded by the UGB and exception lands. (See Damascus Quadrangle map). Extension of the urban services from the UGB and from URSA #1, particularly road connections, will cross this surrounded exception land to reach the southern portion of the exception land in URSA #2

URSA #6 has 222 acres of resource land in the middle of the study area. This land is in an area surrounded by exception land. (See Damascus Quadrangle map). Services for the exceptions north of the south resource land, particularly the road network must cross this surrounded resource land.

URSA #11 has about 49 acres of resource land in an area surrounded by exception land. (See Damascus Quadrangle map). Urban services from either Damascus Town Center or Happy Valley, particularly a road system, must cross these resource lands to reach either exception lands in URSA #6 or exception lands in URSA #11.

URSA # 31 is composed of 736 acres, 615.1 of which is zoned EFU. However, as explained above, URSA 31 is first priority land under the urban reserve rule. However, URSA 31 is also justified as an urban reserve under this standard, which justification does

<sup>26</sup> Wilsonville staff memorandum of \_\_\_\_\_, 1997.

not depend upon URSA 31 being a first priority urban reserve. As with the other urban reserves discussed in this section, URSA 31 is adjacent to the UGB and has significant exception areas surrounding it. URSA 31 is an appropriate candidate for urban reserve status as it serves economies while satisfying local and regional needs.

URSA #51 has 6.2 acres of resource land surrounded on three sides by exception lands (See Scholls Quadrangle map). Efficiency in providing urban services to the surrounding exception lands, particularly roads, will require crossing these resource lands.

URSA #65 has about 201 acres of resource land. All but about 45 acres are surrounded on three sides by UGB and exception lands. This area is not predominantly "prime and unique" soils. Efficient provision of urban services to the exception land and undeveloped portions of the UGB will require crossing these resource lands south of Brugger Road. Alternatively, this lower quality resource land would be included in urban reserves as "secondary" land as lower priority lands that are included before other resource lands.

#### VII. Specific Land Needs Exceptions to Priority Lands

The following represent "specific types of identified land needs cannot be reasonably accommodated on higher priority lands" under OAR 660-21-030(4):

1. URSA #62 contains about 200 acres of resource lands which were included as urban reserves because of a specific land need for a 200-acre, campus industrial urban reserve site near the Hillsboro Airport utilizing existing industrial level urban services.

"The Hillsboro Area has one of the largest inventories of developable industrial land within the Portland Metropolitan Area. A 1990 compilation prepared by Metro, indicates that the incorporated areas of the City of Hillsboro contain 23.2 percent of the available industrial land in the metropolitan region. . . . By comparison, the Hillsboro Planning Area comprises only 3.4 percent of the population of the Metropolitan Area and 10.1 percent of the buildable land area within the Urban Growth Boundary. The objective of this concentration was to allow Hillsboro to serve not only its own needs but also to serve the anticipated longer-term needs of the entire metropolitan region for large lot industrial sites.<sup>27</sup>"

The City of Hillsboro has had unique success in utilizing and servicing its industrial land inventory to attract campus industrial development on large sites. In recent times, much of the western Metro's employment has been attracted to serviced, campus industrial sites.

The trend toward major companies acquiring large campus industrial sites was noted in Hillsboro's 1992 Periodic Review study:

"However, an increasing number of major companies are acquiring large "campus" sites in which they hope to grow their operations over a longer period of time.

<sup>27</sup> Goal 9 Economic Opportunities Analysis, Technical Memorandum #7, August 1992, Leland Consulting Group, at page 53.

Numerous examples of this phenomenon are found within the Portland Metropolitan Area, including the original Tektronix campus, the NEC, Fujitsu, and Toshiba campuses in the Hillsboro Area, the Sharp campus in Vancouver, and others . . . several major companies have acquired 'campus' sites, on which their initial operations were less than a fourth of the site<sup>21</sup> . . . For example, Intel, NEC and Fujitsu.<sup>28"</sup>

Metro anticipated and has participated in assuring that sufficient land is available for campus industrial sites. Metro amended the regional UGB in 1986 for the Kaiser and Riviera properties to be added to Washington County's Special Industrial District solely for large lot industrial users. These sites have been annexed into Hillsboro.<sup>29</sup>

There are three campus industrial sites with large silicon chip fabrication plants in the industrial area near the Hillsboro Airport. All of these plants occupy 100-200 acres of land. Intel Ronler Acres has a master planned site of about 267 acres with 128 acres developed and a second phase of development under construction. NEC America owns approximately 184 acres approximately half developed with an approved master plan for future NEC expansion. Intel Jones Farm has about 116 acres with 60 acres developed and 56 acres committed to development in an approved master plan. These large plants are anchors for the intergrated integrated semiconductor industry in this area.

Chip component manufacturers produce component parts that are sold to these fabricators for their use at the Hillsboro plants. Komotsu Silicon, Tokyo Electron, Toshiba Ceramics and Opha occupy from 39-94 acre sites with development and mast plans for their future expansion.<sup>30</sup>

Industrial suppliers to both small and large chip fabricators and chip component manufacturers have become major land users and employers in the Hillsboro Airport industrial area. Radysis, BOC Gasses, Ashland Chemical, Tokai Carbon, Asahi Glass, Shinei, Compact Controls, Air Tech, KOEI and Dynic surround these large audio plants and the airport. They occupy from 5 to 50 acre parcels.

Other major employers are being attracted to the airport area. Nike has issued bids to construct a manufacturing plant on 74 acres estimated to employ over 1700 employers since the May 1996 aerial photo.<sup>31</sup>

The only remaining large parcel of industrial land not committed to development in the Hillsboro Airport industrial area is the "Seaport Property" at No. 9 on the aerial photo. Whether or not this property is developed for industrial uses or rezoned for housing to address the jobs-housing balance in the Hillsboro Airport industrial area, this 200 acres of #62 is needed

---

<sup>28</sup> Ibid. at page 69, 70.

<sup>29</sup> See City of Hillsboro, Absorption Analysis: Hillsboro Industrial Lands Sanctuary, January 16, 1997, at page 1.

<sup>30</sup> See aerial photograph of Hillsboro Airport industrial area.

<sup>31</sup> See Land Use and Absorption and Public Facilities Information, Hillsboro's Industrial Land Inventory tables at pp. 11-14.

to provide at least one large for another large anchor fabricating plant during the 43 year planning period of the urban reserves. This site will be reserved for a large plant and it will not be brought into the UGB until needed for that purpose.

Analysis of the serviced industrial land in the City of Hillsboro shows that only one 200-acre site remains. The City's inventory analysis demonstrates that no other industrial sites have the characteristics necessary for the specific land need of 200 acres near the airport with industrial level services available.<sup>32</sup> The land absorption report in the record updates industrial land absorption and demand for large lot campus industrial sites. This report concludes that demand is high and the one remaining industrial site is not an adequate supply for the long term.<sup>33</sup>

City of Hillsboro studies have predicted that large lot industrial sites might be absorbed at a faster rate than land was being provided. In the 1992 Technical Memos #7 and #7A, several scenarios were studied. A scenario that most industrial land would be used by 2000 is occurring consistent with the Leland Consulting report and the City's preliminary analysis in its Periodic Review process.<sup>34</sup>

URSA site #62 is unique in its ability to provide an additional large lot campus industrial site when needed inside the UGB. Industrial level services are in place or planned for this area in the flight paths of the Hillsboro Airport. The Port of Portland Airport Master Plan in the record recommends industrial development in this area for public safety and airport compatibility.<sup>35</sup>

The Hillsboro Sanitary Sewer Master Plan (July, 1990) has included industrial level sewer and storm drain facilities.<sup>36</sup> The planned capacity of these facilities is sufficient to serve #62 for campus industrial uses in the future.<sup>37</sup>

City engineering maps in the record and the Hillsboro letter of January 31, 1997 demonstrate that URSA #62 is served or planned to be served by water and energy especially designed to serve large lot campus industrial uses. The existing and planned services have sufficient capacity to serve campus industrial development on URSA #62.

Traffic analysis by demonstrates that transportation facilities to support campus industrial development on URSA #62 is available from existing or planned capacity.

---

<sup>32</sup> City of Hillsboro letter dated January 31, 1997 and related map and annotated aerial photograph.

<sup>33</sup> Land absorption Report, 1997. Goal 9 requires that an "adequate supply of suitable size, type, location and service levels" of industrial land be included in comprehensive plans.

<sup>34</sup> Goal 9 Economic Opportunities Analysis, Technical Memorandum #7, August 1992, Leland Consulting Group.

<sup>35</sup> See Port of Portland Hillsboro Airport Master Plan, Final Report, pp. 84-88.

<sup>36</sup> The Hillsboro Sanitary Sewer Master Plan is part of the City's acknowledged comprehensive plan.

<sup>37</sup> See USA letter of January, 1997.

The January 15, 1997 letter from Portland General Electric indicates that its Sunset Substation was specifically designed to accommodate high-tech loads and has ample capacity to serve this site.<sup>38</sup>

The land absorption analysis demonstrates that no exception or nonresource lands inside the UGB in the Hillsboro regional center are available for this specific land need. The analysis of exception lands in IV, above, and I and II, above, demonstrates that all exception lands in the vicinity of the Hillsboro regional center suitable for urban reserves have been designated as urban reserves.

2. URSA #62 contains about 42 acres of exception lands which are included in First Priority lands, above. However, there is a "specific land need" for these resource lands to improve the jobs-to-housing ratio in the Hillsboro regional center area. The analysis and interpretation of the Urban Reserve Rule and the Hillsboro regional center area in 3, above, applies to the resource lands in #62 north of U.S. 26 which are not part of the campus industrial specific land need in 2, above.

These findings address that portion of Urban Reserve Study Area Site 62 located north of the Sunset Highway (US 26). This approximately 20-21 acre area is bounded on the south by the Sunset Highway, on the west and north by a drainage swale that is a tributary to Rock Creek, and on the east by Helvetia Road. The site is largely flat and unremarkable in its topography and appearance. Groveland Drive, an east-west local road, bisects the area. To its south are five small developed residential properties ranging in size from 0.40 to 0.53 acres. North of Groveland Drive is property in single ownership consisting of the eastern portion of Tax Lot 900 and the southeasternmost corner of Tax Lot 901 (hereinafter referred to as "Tax Lot 900/901"). Although zoned for exclusive farm use, this approximately 18 acres parcel, consisting primarily of Class IV soils, remain mostly wooded and show no evidence of prior cultivation.<sup>39</sup> Over two-thirds of the remaining approximately 16 acres of Tax Lot 900 west of and outside Site 62 (URSA #63) also show no signs of prior cultivation. Four dwellings (one a duplex) occupy this excluded portion of Tax Lot 900. In contrast, Tax Lot 901, containing over 39 acres, has a history of farm use except for the small portion east and south of the swale that has been included in Site 62.

Across Site 62 to the east is Jacobsen Road, an east-west connector. Immediately south of Jacobsen Road, inside the urban growth boundary, is the westbound exit ramp off the Sunset Highway. A 57.89 acre parcel owned by PacTrust that has been approved for development as an industrial park, the fully developed five acre Shinei manufacturing property, and the approximately 63-acre Bosa Industrial Park. North of Jacobsen Road, approximately 700 feet from Helvetia Road, is a 62-unit mobile home park occupying 14.55 acres. Despite its developed character, this mobile home park lies outside the UGB and is zoned for exclusive farm use. Immediately east of the mobile home park, and again inside the UGB, is the 228.4 acre Seaport property, which is currently zoned for employment uses.

---

<sup>38</sup> Livingston to Brooks letter of January 15, 1997.

<sup>39</sup> Soils Survey Report Standing Property Washington County, Figure 4.

Overall, Site 62 in its entirety was assigned an urban reserve rating of 48.5. That rating for #62 in both URSA analyses is based on the model assumption that all land will be used for residential uses. The 48.5 rating places Site 62 right in the middle of the survey, with 37 other URSA's having higher scores and 32 scoring lower.<sup>40</sup>

Had the ratings considered subareas, the northern portion of Site 62 would likely have scored higher than Site 62 as a whole. As described below, this area is unconstrained, easily serviceable, and suitable for mixed use residential development at densities significantly higher than Metro's assumed average of 10-11 units per acre. To ensure this result, the property owner of Tax Lot 900/901 (1/2 of Tax Lot 900 is URSA #63) has suggested development of this property be reserved for a minimum average density of at least 18 units per buildable acre.

#### **A. Urban Reserve Rule.**

Lands that are zoned for exclusive farm use are, by law, considered of lower priority for inclusion in urban reserves. *See* OAR 660-21-030(4). However, under OAR 660-21-030(4)(a), the Metro Council nonetheless may include EFU-zoned lands to correct unfavorable jobs/housing balances. Here, inclusion of the northern portion of Site 62 within the urban reserve boundary is appropriate because these lands are needed to correct the unfavorable jobs/housing imbalance forecast identified for the Hillsboro Regional Center.

By the year 2015, Metro projects that the Hillsboro Regional Center will accommodate 75,479 jobs and 51,429 households.<sup>41</sup> This results in a job/housing ratio of 1.47, the most significantly one-sided jobs-rich imbalance outside the Portland Central City. If Metro had analyzed the Hillsboro Regional Center as an area of 100,000 population excluding jobs-poor Forest Grove and Cornelius in the analysis, this jobs to housing ratio would be even more unfavorable.

In the immediate vicinity of Site 62 the Hillsboro "jobs-rich" imbalance is most noticeable. Immediately adjoining Site 62 to the south is the Dawson Creek Corporate Park, a major employment center. Lands to the east and southeast (south of Evergreen Parkway) also are designated and zoned for employment uses, including a large (75.43-acre) parcel of land immediately east of Site 62 that was recently purchased by Nike for office/manufacturing development. North of the Sunset Highway, lands sandwiched between Jacobsen Road and the Sunset Highway also are identified for employment uses, as is currently the Seaport property north of Jacobsen Road. Many people employed at these locations will need and want affordable housing, but very little land has been planned and zoned for more affordable housing types within short distances of these work places.

Businesses locating on these properties will be generating an impressive number of new jobs. South of the Sunset Highway, Komatsu Electronic Metals Co., now under construction at Dawson Creek Park, is expected to create 300 jobs in the first phase alone. Integrated Device Technology, Inc., also at Dawson Creek Park, will provide another 975 jobs. Intel's new

<sup>40</sup> Site 27 had the identical score of 48.5.

<sup>41</sup> Metro, Executive Officer Recommendations, September 1996, page 10.

microprocessing facility at Ronler Acres, located southeast of the intersection of Evergreen and Shute Road, is expected to create 1400 new jobs, and the Nike facility along Shute Road just south of US 26 should create over 1400 new job opportunities.<sup>42</sup> Further, assuming eight new jobs per acre, the approximately 200 acres of resource land in Site 62 south of the Sunset Highway will create about 1600 more jobs.

North of the Sunset Highway, the PacTrust Industrial Park will create about 450 jobs and the Bosa Industrial Park will create of 500 jobs.<sup>43</sup> Hundreds of additional jobs will be created when the Seaport property is developed, and when a new high school is built on the Hillsboro School District's 44.98-acre site located along Croeni Road just south of Jacobsen Road, approximately one mile east of the intersection of Jacobsen and Helvetia Roads.

While many of the jobs created at these sites will pay salaries adequate to support ownership of detached single family homes, many other jobs will pay wages that alone are insufficient to support that type of home ownership. By the year 2015, it is projected that approximately 64 percent of households in the City of Hillsboro will have incomes under \$40,500.<sup>44</sup> Given existing housing costs, these incomes probably will be insufficient to afford a detached single family home. Many of the households earning incomes below \$40,500 will require more affordable housing types to meet their residential needs. These can include attached housing such as multi-family dwellings, garden apartments, townhouses and rowhouses, as well as duplex and small lot single family housing. With its flat, unconstrained land and ready access to public facilities and services, the northern portion of Site 62 provides an excellent opportunity to provide affordable housing for the many people earning non-managerial wages who will be working at these locations.

#### **B. Public Facilities and Services.**

The URSA Reanalysis rates Site 62 a rating of "7" for utility feasibility, "5" for roadway network, "10" for traffic congestion and "2" for schools.

The Site 62 **utility feasibility** rating of "7" is based on an assumed total utility cost per EDU of \$3800. This is based on an assumption that the land will develop at 10-11 dwelling units per acre. However, Tax Lot 900/901, which comprises nearly all of the vacant developable land north of the Sunset Highway, has no constraints that would restrict its development to only 10 units per acre. This property, as well as the remaining portions of Tax Lot 900 outside Site 62, can easily develop at significantly higher densities and should be reserved for that purpose. Higher density development at this site, combined with the proximity of urban services to the area, reduces the overall utility cost per EDU to a level that likely would have resulted in a rating higher than 7 had ratings been developed on a subarea level.

---

<sup>42</sup> Oregonian, September 19, 1996; Hillsboro Absorption analysis, 1997

<sup>43</sup> These numbers assume eight new jobs per acre.

<sup>44</sup> Tualatin Valley Economic Development Corporation, July 1996.

Urban services to Site 62 north of the Sunset Highway can readily be extended to Tax Lots 900/901.<sup>45</sup> Sanitary sewer and water lines already are located in Jacobsen Road at the Shinei USA Inc. site located approximately one half mile of Helvetia Road. These facilities were installed at this location in late 1996 and can be extended west to serve Tax Lot 900/901. Sanitary sewer facilities also are located adjoining the PacTrust property just north of Highway 26, and Nike is planning to extend a 16-inch water line along Shute Road to a point approximately 0.4 miles from Tax Lots 900/901.<sup>46</sup> Storm facilities can be developed in accordance with applicable drainage standards.<sup>47</sup>

The rating of "5" for the **roadway network** reflects the ratio of existing roads to needed roadways. While this number reasonably reflects residential use on Site 62 as a whole, it is lower than a rating would be for the portion north of Highway 26. The acreage north of the Sunset Highway already is served by Groveland Drive. Additional roadway needed to serve urban development on Tax Lot 900/901 will be small compared to any residential development on the large (200 acre) undeveloped resource parcel south of the Sunset Highway. That parcel has no existing internal roadway system and will require much more roadway to serve proposed urban development. Accordingly, had Metro considered ratings on a subarea basis, the area north of the Sunset Highway would have merited a higher rating for the roadway network.

The rating of "10" for **traffic congestion**, which is measured by volume to capacity ratio, appropriately applies to all of Site 62. However, the rating of "2" for **schools** is unreasonably low for the area north of the Sunset Highway. Site 62 north of the Sunset Highway is located only 2700 feet south of the West Union Elementary School site on Helvetia Road at West Union. This is closer than the 0.75 mile distance that warrants only a single point under the ratings scale. Also, the Hillsboro School District owns nearly 45 acres on Croeni Road just south of Jacobsen Road, upon which it intends to construct a new high school. Because this school site is located only about one mile from Tax Lot 900/901, and because a single point is allocated for distances as far as three miles away, the subarea would have warranted a much higher rating had ratings been developed on a subarea level.

### C. **Maximum Efficiency of Land Uses.**

The updated urban reserve ratings assign Site 62 high scores of "8" for efficiency and "8" for buildable land. However, the portion north of the Sunset Highway would have received "10" ratings has a subarea analysis been done.

The **efficiency** rating of "8" reflects inefficiencies associated with scattered development in the approximately 42 acres of exception area south of the Sunset Highway. Tax Lot 900/901, which constitutes the developable land in this area, is flat, has no development limitations, and would justify the highest rating. The same is true for the remainder of Tax Lot 900 outside URSA 62.

---

<sup>45</sup> Alpha Engineering report dated January 31, 1997.

<sup>46</sup> See City of Hillsboro Memorandum, *supra*.

<sup>47</sup> See Alpha Engineering report, *supra*.



This same analysis reasonably applies to the **buildable lands** rating. Again, all of Tax Lot 900/901 is considered buildable. This property can accommodate residential development at a minimum average density of 18 units per buildable acre; a substantially higher density than the 10-11 units per buildable acre assumed for the URSA's as a whole.

#### **D. Economic, Social, Environmental and Energy Consequences.**

The updated urban reserve ratings assign Site 62 a rating of "7" for environmental constraints, "9" for access to centers, and "9" for jobs-rich.

Overall, these numbers are appropriate for the subareas both north and south of the Sunset Highway. Regarding **environmental constraints**, because Tax Lot 900/901 contains no constraints to very efficient, higher density residential development, it warrants a rating higher than "7". On the other hand, its distance in miles from **centers** would warrant a somewhat lower rating, even though this site has excellent access to the Tanasbourne Town Center via Highway 26, the Orenco Town Center via Shute Road, and the Hillsboro Regional Center via Shute Road and Evergreen Parkway. This easy access along uncongested roads actually may save time and energy over other areas where distances are shorter but the roadways are much more congested.

The **jobs** rating of "9" is appropriate. The urban areas surrounding Site 62 heavily emphasize employment over housing. There are no housing opportunities in the immediate area other than redevelopment of the 42 acres of highly parcelized exception lands in Site 62 south of the Sunset Highway. Indeed, the nearest residentially designated area to Tax Lots 900/901 is east of Cornelius Pass Road, more than 1.5 miles away. The absence of housing opportunities in this immediate area, combined with the fact that the site has no development constraints, render Site 62 north of the Sunset extremely valuable for improving the jobs-to-housing ratio.<sup>48</sup>

#### **E. Agricultural Retention and Agricultural Compatibility.**

The updated urban reserve ratings assign Site 62 a rating of "2" for agricultural retention and a rating of "2" for agricultural compatibility.

The Background Data report dated September, 1996 indicates that in determining **agricultural retention** for an URSA, consideration was given to five categories, including the four "hierarchy" categories in the Urban Reserve Rule plus whether the land is actively farmed. While the portion of Site 62 north of the Sunset Highway is zoned for exclusive farm use, none of these lands are being actively farmed. In contrast, much of the 200-acre resource parcel south of the Sunset Highway is currently being utilized for farm use. Therefore, a separate rating for this parcel on agricultural compatibility would be much higher. By averaging the rating, the effect is a lower rating than is otherwise warranted for the portion of Site 62 north of the Sunset Highway.

The five developed lots south of Groveland Drive are committed to nonresource uses due to their level of development and small sizes (generally under half an acre). North of Groveland

---

<sup>48</sup> City of Hillsboro memorandum, supra.

Drive, Tax Lot 900/901 consists predominantly of Class IV soils and shows no evidence of prior cultivation.<sup>49</sup> Because Tax Lot 900/901 contains predominantly Class IV soils, the site has a lower priority for retention as agricultural land, and a higher priority for urbanization, than other resource lands included in URSA #62 containing better agricultural soils. This would result in a higher score for this subarea were ratings assessed on a subarea basis.

A score of "2" also is unreasonably low for this subarea with respect to **agricultural compatibility**. The score indicates a higher likelihood of interference with agricultural uses on adjoining parcels. It also indicates that farming is the dominant activity in and around the surrounding URSA area. However, as noted above, none of Site 62 north of the Sunset is in agricultural use. The largest parcel, Tax Lot 900/901, shows no evidence of having ever been in agricultural use. Moreover, this subarea is not surrounded by agricultural lands, and it is even questionable whether farm use would qualify as the dominant activity on surrounding lands. There is no agricultural use to the south, which consists of the Sunset Highway and, below that, the exception portion of Site 62. The portion north of the Sunset Highway has U.S. 26 and Helvetia Road on two sides of a triangle with a natural feature (a swale) separating this parcel from any farm uses. Lands to the west are zoned EFU, but they are predominantly in rural residential use. Four separate dwellings occupy the western third of Tax Lot 900, which, like the eastern portion inside Site 62, has never been farmed. (Only about 20% of the approximately 30-acre Tax Lot 900 has ever been farmed.) Lands to the northwest and north in Tax Lot 901 are in active farm use, but they are separated from Site 62 by a swale that is a tributary to Rock Creek. Lands immediately to the east of Tax Lot 900/901 are in farm use only to a depth of approximately 700 feet, behind which lies the 62-unit mobile home park. Lands to the southeast, south of Jacobsen Road, are inside the UGB and already have been approved for employment purposes. Hence, for this subarea, the likelihood for interference with agricultural uses on adjoining parcels is, at best, moderate.

#### **F. Conclusions For #62 Housing.**

When viewed on a subarea basis, the portion of Site 62 north of the Sunset Highway merits a much higher rating for residential development than Site 62 as a whole. This area has no topographical or environmental constraints that would prevent mixed use residential development. This land should be reserved for development at residential densities significantly higher than the 10-11 dwelling unit per acre average assumed by Metro for the urban reserve analysis. The subarea has excellent access to services and outstanding access to the regional road system. Agricultural lands on Tax Lot 900/901 are predominantly Class IV, which makes this site more appropriate for urbanization and less appropriate for agricultural retention than other EFU-zoned URSA's containing predominantly Class I, II or III soils. Most importantly, Site 62 north of the Sunset Highway provides an outstanding opportunity to provide a mix of needed, affordable housing types consistent with the 2040 Growth Concept in an area where the jobs/housing imbalance is extreme, and the property owner has suggested an approval condition that would ensure residential development of this site at higher densities. For all of these reasons this portion of Site 62 meets the applicable urban reserve standards and merits designation as an urban reserve.

---

<sup>49</sup> See Alpha Engineering report, supra.

3. URSAs #54 and 55 contain about 454 acres of exception lands which are included in First Priority lands, above. The resource land in these URSAs have not been designated marginal or secondary resource lands. Therefore, inclusion of these resource lands in urban reserves requires an "exception" to the priority lands requirement in OAR 660-21-030(3) due to an identified "specific land need."

At Metro's request, the "specific land need" subsection of the Urban Reserve Rule was amended by LCDC to recognize jobs/housing balance on a regional center basis as one type of an identified "specific land need." Therefore, the analysis of any land for a jobs/housing balance exception to OAR 660-21-030(3) priorities begins with the words of the amended Urban Reserve Rule at OAR 660-21-030(4):

"(a) Specific types of identified land needs, including the need to meet favorable ratios of jobs to housing for areas of at least 100,000 population served by one or more regional centers designated in (Metro's RUGGO) . . ." (emphasis added)

Director Benner's letter of November 7, 1996 describes his interpretation of "favorable" jobs-to-housing ratios: "This means work force participants and jobs in the area will become more nearly equivalent in number . . ." (not necessarily a one-to-one ratio). This is consistent with Metro's understanding of the legislative history of the rule amendment that Metro requested.<sup>50</sup> The legislative history indicates that "favorable" is a value judgment about how to improve the jobs to housing ratio to move toward a reduction of Vehicles Miles Traveled consistent with the Transportation Planning Rule.<sup>51</sup> Both Director Benner's letter and Metro's "Background Data" dated September, 1996 at page 9 note that "A much more accurate measure would be one that compared the wage level of the jobs with the cost of housing." However, neither Metro's 2040 Technical Analysis (1994) nor the 2015 Forecast (1996) included this more detailed analysis and most accurate measure of jobs/housing balance.

LCDC acceptance of Metro's proposal for the rulemaking and Director Benner's lauding of Metro's database and analysis in the November 7, 1996 letter indicate concurrence with the interpretation that while additional analysis of wage levels and cost of housing is desirable, the Urban Reserve Rule does not require that additional analysis to demonstrate a jobs/housing ratio "specific land need." Inclusion of land in urban reserves for a jobs/housing "specific land need" is intended to move the projected jobs and housing ratios toward a greater equivalency of jobs and housing in regional center areas in 2040. The designated urban reserves must enable urban reserve planning to locate housing near jobs in designated urban reserves consistent with a jobs/housing specific land need under the amended Urban Reserve Rule.

Jobs/housing balance, like urban reserves before it, is a concept that originated in Metro's Regional Urban Growth Goals and Objectives (RUGGO). RUGGO are now acknowledged by LCDC to be in compliance with applicable state law, statewide land use goals and LCDC rules. Regional centers are one key to the 2040 Growth Concept subgoal of RUGGO:

<sup>50</sup> Transcript of LCDC November 1, 1996 hearing where the Urban Reserve Rule was amended.

<sup>51</sup> Id.

"Regional Centers serve large market areas outside the central city, connected to it by high capacity transit and highways. Connected to each Regional Center, by road and transit, are smaller Town Centers with local shopping and employment opportunities within a local market area. Planning for all of these centers will seek a balance between jobs, housing and unique blends of urban amenities so that more transportation trips are likely to remain local and become more multi-modal."<sup>52</sup>

In keeping with the jobs/housing balance in centers, a jobs/housing balance by regional subareas can and should also be a goal. This would account for the housing and employment outside centers, and direct policy to adjust for better jobs/housing ratios around the region."<sup>53</sup>

The legislative history of the jobs-to-housing ratio Rule amendment clearly indicates that the words "subarea of one or more regional centers" was intended to give jurisdictions, particularly Metro, flexibility in selecting the subarea boundaries.<sup>54</sup> The Hillsboro regional center area boundary used in the 1994 2040 Technical Analysis was used as the example of regional center subareas in the record of the LCDC hearing.<sup>55</sup> That is the Hillsboro regional center area that was used for calculation of the jobs/housing subfactor in the URSA study model and for the more detailed analysis for the "specific land need."

As demonstrated in "Background Data" dated September, 1996 at pages 9-10, the Hillsboro regional center area does not anticipate a projected equivalency of jobs-to-housing in 2015 with 75,479 jobs and 51,429 households being the largest regional center area imbalance.<sup>56</sup> These numbers for the Hillsboro regional center area include both the highly "jobs rich" industrial areas of the City of Hillsboro and the "jobs poor" areas of Forest Grove and Cornelius. LCDC did not accept Metro's request to analyze areas which are separated from the rest of the UGB by rural land, like Forest Grove-Cornelius, separately for jobs/housing balance despite the one road transportation connection across rural land between Hillsboro and Cornelius.

Metro analysis of jobs/housing balance consistent with the 2040 Growth Concept policies cited above was done using early conceptual level data for suitability analysis of these designated urban reserves. The jobs and housing for the three "town center" areas labeled "1" were added

---

<sup>52</sup> See Transportation Planning Rule at OAR 660-12-035(4)(e): "The transportation system shall avoid principal reliance on any one mode of transportation and shall reduce principal reliance on the automobile. . . . (4) In MPO areas, regional and local TSPs shall be designed to achieve the following objectives for reducing automobile vehicle miles traveled (VMT) per capita for the MPO area: (a) No increase within ten years of adoption of a plan as required by OAR 660-12-055(1); (b) A 10% reduction within 20 years of adoption of a plan . . ." (emphasis added)

<sup>53</sup> 1995 Regional Urban Growth Goals and Objectives at page 26.

<sup>54</sup> Transcript of LCDC November 1, 1996 hearing where the Urban Reserve Rule was amended.

<sup>55</sup> The regional center areas are those consistently used by Metro in its 2040 Growth Concept feasibility analysis, urban reserve analysis, and the October, 1996 LCDC hearing on the Urban Reserve Rule amendment. See map dated September 14, 1994 after Table 10 in Region 2040: Recommended Alternative Technical Appendix, September 15, 1994. See LCDC Hearing Transcript.

<sup>56</sup> These are the early (1994) estimates for 2015 used for the 2040 Growth Concept. This includes the Hillsboro, Forest Grove-Cornelius and Orenco Town Center areas indicated with a "1" on the map.

together using 1992 data in Metro's feasibility analysis of the "Recommended Alternative" prior to adopting it into RUGGO as the 2040 Growth Concept in December, 1995.<sup>57</sup> That early conceptual analysis (1) found a very high 1992 jobs/housing imbalance in Portland; (2) made assumptions that continued the 1992 jobs/housing balance for Portland; and (3) included a first staff estimate of about 14,500 acres of urban reserves that are not the same as the urban reserves designated by the Metro Council.<sup>58</sup> It was appropriate for the 1994 conceptual analysis of the 2040 Growth Concept to estimate some amount of urban reserves to determine the feasibility of the Concept to 2040. By definition, the acknowledged UGB has a 20-year supply of land, and a "50-year land supply" (46 years in 1994) would require some additional land to analyze to 2040.

The analysis of jobs-to-housing ratios for regional center areas in the urban reserves study model was done for the job/housing subfactor of Factor 5 in the relative suitability analysis using this earlier concept data. The data and methods are explained in "Background Data," dated September, 1996 at pages 9-10.

The new, 2015 Forecast, published in February, 1996, results in significantly different projected 2015 ratios.<sup>59</sup> It is the 2015 projected ratios, representing roughly the current 20-year UGB, that was used as the starting point for this specific land need urban reserve analysis. Part of the job of urban reserves, consistent with the LCDC acknowledged 2040 Growth Concept and the Transportation Planning Rule, is to improve the jobs/housing balance in 2040 from that projected to exist in the current UGB. Therefore, 2015 data for areas inside the UGB used as the starting point for urban reserve analysis instead of the earlier 2040 feasibility analysis using 1992 actual data and an early staff guess of about 14,500 acres of urban reserves. From the 2015 data for the three "town center" areas shown as the Hillsboro regional center area, the estimated jobs and housing from the actual urban reserves in the vicinity of Hillsboro regional center area are added to determine the jobs-to-housing ratio in 2040.

As indicated at page 9 of the "Background Data" report, only Portland and Hillsboro are "jobs rich." For purposes of urban reserve relative suitability analysis, ratings were based on comparisons among the four regional center areas only. The Portland Central City area has no urban reserves to develop to directly reduce its jobs/housing balance and all regional center areas contribute to the Central City being "jobs rich" now and in 2040. Also, Metro assumes an ongoing jobs to housing imbalance in the Central Business District that can be served by the use of existing and planned transit.

Analysis of just the current city limits of Hillsboro in 2015 result in a whopping 3.12 jobs-to-housing ratio for about 74,000 population.<sup>60</sup> The Urban Reserve Rule requires a regional center of at least 100,000 population for a jobs-to-housing ratio "specific land need."

---

<sup>57</sup> Region 2040: Recommended Alternative Technical Appendix, September 15, 1994 at Tables 5, 7, 10.

<sup>58</sup> Ibid. at Table 10; Recommended Alternative Decision Kit, September 1994 at p. 1.

<sup>59</sup> The 2015 Forecast included about 205,000 households inside the current UGB which is roughly equivalent to the 206,600 household capacity estimate for the UGB in 2017 in the Metro Council's preliminary Urban Growth Report.

<sup>60</sup> Metro staff memorandum "Hillsboro Area Jobs & Housing Balance Data," January 31, 1997.

Adding together the Hillsboro "town center" area and the Orenco Town Center area (from the 2040 report map), about 80,430 jobs to about 38,921 households yields a 2.067 jobs to housing ratio. This is an area that includes 102,565 population, sufficient for a regional center area.

However, the Hillsboro regional center area used for 2040 analysis included the Forest Grove/Cornelius "town center" area, too. This "jobs poor" area reduces the 2015 jobs-to-housing ratio inside the UGB to 1.94.

The relevant comparison for this ratio is the regional totals for jobs and housing without the Central Business District (CBD). For all the region except the CBD the jobs-to-housing ratio from 2015 Forecast of February, 1996 is 1.48. Since that represents about the average number of workers per household outside the CBD, that is the target for a "favorable" jobs-to-housing ratio for the Hillsboro regional center area. By any measure, the Hillsboro regional center area is "jobs rich."

Analysis of the urban reserves designated for the Hillsboro regional center area is necessary to determine how these urban reserves improve, or make more "favorable" the jobs-to-housing ratio. Several of the urban reserves added in this regional center area are for industrial "specific land needs" that do not include additional households:

#56 contains 38 acres of urban reserves for jobs in an expansion of an existing industrial area needed by the City of Forest Grove to meet its requirements for accommodating jobs and housing.

#59 contains 33 acres of urban reserves for jobs needed by the City of Cornelius to meet its Urban Growth Management Functional Plan Title 1 requirements for accommodating jobs and housing.

#62 contains about 255 total acres with 42 acres of heavily parcelized exception lands. This would add less than 400 households and 172 jobs at 10 dwelling units and 4.1 jobs per buildable acre. About 200 acres of resource lands south of US 26 and west of Shute Road are needed for a long-term campus industrial site.

Several urban reserves added in the Hillsboro regional center area would add mostly dwelling units (households) in 2040 to balance the jobs:

#61 contains 27 acres of exception lands with about 16.3 acres of buildable land yielding about 163 dwelling units and 67 jobs.

#54 contains about 47 acres (24%) of exception lands, with about 31 acres of buildable lands yielding about 310 households and 125 jobs using 2040 Growth Concept Outer Neighborhood design type.

#55 contains about 407 acres (45%) of exception lands with about 242 buildable acres yielding about 2042 dwelling units and 992 jobs.

#56 contains about 33 buildable acres for industrial use yielding about 600 jobs at 20 jobs per buildable acre for heavy industry zones.

#59 contains about 35 buildable acres for industrial use yielding about 700 jobs at 20 jobs per buildable acre for heavy industry zones.

So, the jobs-to-housing ratio for the entire Hillsboro regional center area in 2040, after adding the 249 jobs and 2915 dwelling units for designated urban reserves other than resource lands in #54, 55 and 62 to the 2015 projections. That does not significantly improve the jobs-to-housing ratio.

Therefore, a "specific land need" for resource land in #54, 55 and 62 to improve the jobs-to-housing ratio is established as follows:

#62 contains about 18 acres of resource land north of US 26 for residential development. About 18 acres are buildable and they will be developed to 18 units per buildable acre yielding about 324 dwelling units. This land is developable at relatively high densities to serve the adjacent industrial uses with housing that generally matches the wage levels of jobs in those industries. (See VII, below.)

#54 and 55 (St. Mary's) contain about 618 acres of resource land with about 356 acres of buildable land, yielding about 3560 households and 1460 jobs by 2040 at 10 dwellings and 4.1 jobs per buildable acre.

With the 2040 capacity of all designated urban reserves, then, the jobs-to-housing ratio in the Hillsboro regional center area is improved by adding 4699 jobs and 6176 households as follows:

104,647 jobs to 57,605 households = 1.82 ratio

4. URSA #56 contains about 38 acres of resource lands adjacent to an existing City of Forest Grove industrial zone. The property is surrounded by unbuildable floodplain. There is a specific land need for jobs capacity to enable Forest Grove to meet its requirements for accommodating jobs in the Urban Growth Management (UGM) Functional Plan.

Title 1 of the UGM Functional Plan was effective February 19, 1997. Table 1 of Title 1 requires Forest Grove to amend its comprehensive plan, if necessary, to accommodate 2873 households and 5488 jobs by 2017. By rezoning residential land to 2040 densities, Forest Grove seems to be able to accommodate the projected households.<sup>61</sup> However, that analysis indicates that not all of the jobs can be accommodated inside the current UGB. Therefore, an additional 38 acres of buildable land would provide the capacity for about 760 additional jobs at 20 jobs per buildable acre for heavy industrial zoning.

Forest Grove is surrounded by resource land. To add any additional land for job capacity, some resource land will be affected. URSA #56 would have the least impact on surrounding agricultural uses compared to any other resource land surrounding Forest Grove for two reasons. First, an existing industrial zone with city water, sewer, storm drainage and roads is already in place.<sup>62</sup> Second, the URSA #56 boundary is the floodplain.<sup>63</sup> The acknowledged 2040 Growth Concept and Title 3 of the UGM Functional Plan treat floodplains as undevelopable land. Therefore, the floodplains prevent expansion further onto resource land in this area.

---

<sup>61</sup> See Forest Grove staff memo.

<sup>62</sup> See City of Forest Grove Comprehensive Plan.

<sup>63</sup> See "Background Data," \_\_\_\_\_, 1996 \_\_\_\_\_ at page \_\_\_\_.

The Forest Grove Comprehensive Plan was adopted in 1980 and acknowledged in 1983. In 1990, an Industrial Plan was completed during the city's Periodic Review process.<sup>64</sup> The Comprehensive Plan identifies Light Industrial and General Industrial uses. The inventory is approximately 112 net buildable acres designated for light industrial with about 72 acres vacant.<sup>65</sup> This includes the Tektronix circuit board manufacturing plant in the middle of its 100-acre site with its own master plan for supportive industrial uses, like Benchmark Electronics on 8.5 acres.<sup>66</sup>

In 1985-87 a plan amendment designated the Sunset Drive Light Industrial Area. Sites #76 and 77 about 31.7 acres adjacent to Sunset Highway in the vicinity of Beal Road were rezoned from residential to light industrial.<sup>67</sup>

About 220.8 net acres of general industrial land was in the inventory in 1990. Since that time Crown Corporation has developed part of the 67.5-acre site within the UGB adjacent to URSA #56.

5. URSA #59 contains about 33 acres of buildable resource lands adjacent to the City of Cornelius. The boundary of this URSA is the Council Creek floodplain, the natural feature used as the urban growth boundary for the rest of the northern boundary of Cornelius. There is a specific land need for jobs capacity to enable Cornelius to meet its requirements for accommodating jobs in the Urban Growth Management (UGM) Functional Plan.

Title 1 of the UGM Functional Plan was effective February 19, 1997. Table 1 requires Cornelius to amend its comprehensive plan, if necessary, to accommodate 1019 additional households and 2812 additional jobs by 2017. About 335 additional jobs must be added to mixed use areas, leaving a need for 2477 jobs. From rezoning to accommodate additional households and redevelopment, additional jobs can be accommodated. However, Cornelius must use some commercial land to meet the housing requirement and only 104 acres of vacant industrial remains. About 30 of those acres will be reevaluated for residential use. This leaves only about 74 acres to accommodate 2477 jobs. The jobs per acre ratio would have to be more than double the current ratio. Improving that ratio to the average 20 jobs per acre for heavy industrial zoning indicates a need for about 140 acres of industrial land. The addition of 35 acres of buildable land for industrial uses is not sufficient to meet the estimated need for 2017 requirements.<sup>68</sup>

An additional 35 acres of buildable land would provide the capacity for at least 700 additional industrial jobs. The increased efficiencies from adding this land immediately adjacent to the existing Davis Oaks Industrial Park will enable the city to improve its jobs per acre ratio on this land and this urban reserve area.

Cornelius is surrounded by resource land. To add any additional land for job capacity, some resource land will be affected. URSA #59 would have a lesser impact on agricultural use

---

<sup>64</sup> Industrial Lands Study, Dorman, White & Co./E.D. Hovee & Co., November, 1990.

<sup>65</sup> Ibid. at page 34.

<sup>66</sup> Ibid. at page 23.

<sup>67</sup> Ibid. at page 24.

<sup>68</sup> See Cornelius staff memo of January 28, 1997.



than URSA #60, a larger site with some exception land because it lies north Council Creek which creates limitations and expenses for extending urban services, all requiring multiple creek crossings.

URSA #59 would have the least impact on surrounding agricultural uses compared to any other resource land surrounding it for two reasons. First, this site is fully serviceable with urban services. City water, sewer, storm drainage and roads are already available adjacent to this site. Second, this site is immediately adjacent to an existing industrial park.

jep I:\DOCS#07.P&D\02UGB\04URBRES.DEC\FINDINGS.DOC 6. URSA # 31: URSA # 31 is above established as first priority land for inclusion under the urban reserve rule. Even if it were not first priority land, it would nevertheless justify inclusion with the urban reserves ahead of land of potentially higher priority under the urban reserve rule. The location and area characteristics of URSA 31 establish it as particularly suited for urban development consistent with the 2040 Growth Concept as well as Metro RUGGOs. As explained below, URSA 31 is capable of developing in a planned manner enabling a mixed use, viable community that takes advantage of existing and substantial public investment in infrastructure in the area. One of the additional unique advantages of URSA 31 is it provides an opportunity to solve serious affordability issues associated with the City of Lake Oswego which, if not addressed, will put the City out of compliance with various legal standards, including Goal 10. Explanations follow.

#### URSA 31 meets all requirements under the Urban Reserve Rule

##### Public Facilities and Services.

Providing urban services to URSA 31 is relatively easy, provides economies of scale and is independently comparatively inexpensive. While URSA-matic II gives URSA 31 a rating of "5.0" for utility feasibility, for the reasons explained below, these scores are unreasonably low considering better, more site specific information. The scores for roadway network ("9") and for traffic congestion (URSA-matic I rates URSA 31 at a "8.0" for schools) are correct.

URSA 31 utility feasibility rating of "5" is incorrect based on a site specific analysis of URSA 31 performed by URS Greiner. The URS Greiner Report supplements the more general work performed by KCM. The Council has weighed all of the evidence in this regard and chooses the evidence furnished by the URS Greiner study as the most credible. The URSA-matic utility feasibility score is based upon KCM's assumption of a total utility cost per EDU for URSA 31 of \$4,300. However, because potential sewage treatment capacity is available or is currently being planned by USA at the Durham Waste Water Treatment Plant and the Tri-Cities Waste Water Treatment Plant (an RFP is currently underway), it is unnecessary to include sewage treatment costs.<sup>69</sup> KCM did not have adequate information in this regard, including new information only recently available.

<sup>69</sup> See URS Greiner Report.

concerning USA capacity to serve URSA 31. Therefore, instead of KCM's estimate of \$2,900 per EDU for sewer service to URSA 31, the appropriate estimate is \$1,515 per EDU for sanitary sewer. In addition, URS Greiner determined after a site specific analysis of URSA 31 that URSA 31 may be served with gravity water service. KCM assumed pumped service, but acknowledges in its report that it lacked the resources to perform a site specific analysis. The Council chooses the more specific evidence in this regard. Therefore, the URS Greiner cost per EDU of \$1,140 rather than the KCM cost of \$1400 per EDU is chosen. Storm facilities can be developed in accordance with applicable drainage standards. Accordingly, the best evidence shows the total comparative cost of providing services to URSA 31 is \$2655 per EDU. These revised comparative costs of providing service make URSA 31 the least or one of the least expensive URSA's to serve as compared to the other URSA's in the region. This comparison with the cost to serve other URSA's uses the KCM study as the baseline, as it is generally accurate. Therefore, URSA 31 merits a top score of 10 for utility feasibility.

The rating of "5.0" for the roadway network reflects the ratio of existing road systems to serve the urban reserve area versus anticipated road needs. URSA 31 is primarily served by I-205 to the south, Stafford Road, a major arterial, and Rosemont Road a minor arterial. These systems provide superior transportation connections to regional centers, town centers and the Central City. The URSA-matic model did not adequately account for the presence of I-205 to provide connectivity for urbanization attributable to URSA 31. Moreover, transportation efficiencies demand the inclusion of URSA 31 to enable the efficient utilization of the public's substantial investment in I-205, including the Stafford interchange, which is currently underutilized as compared to other Metro area interchanges. URSA 31 should have received a score of 9 for roadway network, which applies appropriate weight to the existing public investment in I-205 and arterials to carry a great percentage of the population from URSA 31 to regional and town centers and the Central City.

The rating of "9" for traffic congestion is appropriate and correct for URSA 31. The Council finds that the URSA-matic I score school score for URSA 31 was correct and is accepted. Nothing that would adversely affect URSA 31's original rating for schools of "8", including school land location, has changed between URSA-matic I and II. The URSA-matic II school score of 6 for URSA 31 is rejected.

#### Maximum Efficiency of Land Uses Under URSA-matic model

With regard to the maximum efficiency of land uses, including the unexcluded EFU zoned land within URSA 31 in the urban reserves provides the maximum public efficiencies by amortizing the public's investment in infrastructure necessary for exception areas over appropriate larger areas. This justifies a high rating for URSA 31 under this factor as expressed in the Urban Reserve Rule. However, regarding the expression of the efficiency factor as used in URSA-matic (which factor considers slopes and the other building constraints associated with land) a score of "5" is appropriate. This is because URSA 31 includes gently rolling hills. This is precisely the reason it is not composed of prime or

unique or high value agricultural land. These gently rolling hills and other environmentally pleasing features also make URSA 31 an area having an average buildability quotient, but a high livability factor, making it an efficient and appropriate place for building a 2040 growth concept community. In this regard, the City of Lake Oswego has purchased approximately 40 acres of land adjacent to URSA 31, and outside of its city limits, that is currently proposed for use as ballfields and parks, to support the recreational needs of City of Lake Oswego residents. This is a unique amenity and is near designated Stafford Area urban reserves. Maximum efficiency of land uses calls for utilizing this park in an efficient manner and URSA 31 provides such efficiency. This amenity provides additional incentive for residential development of the area around the park, including URSA 31.

Consequently, while the URSA-matic score for URSA 31 is correct with respect to the characteristics it considers, it does not consider all of the efficiencies associated with URSA 31. Accordingly, URSA 31 justifies a higher score, more in the nature of an "8" under the Urban Reserve Rule, with respect to maximum efficiencies of land uses.

#### Economic, Social, Environmental and Energy Consequences.

URSA-matic II assigns to URSA 31 a score of "6.0" for environmental constraints, "5.0" for buildable land, "5.0" for access to centers, "3.0" for jobs-rich and a "0" score for housing rich.

The score for environmental constraints and buildable land is appropriate.

The score regarding access to centers is unreasonably low. As stated in the introduction to these findings, access to centers evaluates distances along public rights of way to the central city, regional centers and town centers. Accessibility within 12 miles of the central city; 6 miles to a regional center and 3 miles to a town center received the highest rating. URSA 31 is within 12 miles of the central city, it is within six miles of two regional centers (Milwaukie and Oregon City) and within 8 miles of the Sunnyside and Tigard Regional Centers. Accordingly, the URSA-matic ranking failed to adequately consider that URSA 31 is strategically located near four regional centers and that it and URSA 32 are the closest URSA's to the Central City. Further, URSA 31 is uniquely located within the region to provide superb access to these centers via existing arterial networks and I-205. Therefore, the low and easy distance in vehicle miles from URSA 31 to the city center and regional and town centers would warrant a much higher rating. This unique, easy access along relatively uncongested roads will save time and energy over other areas where distances are longer and less accessible. Therefore, a more appropriate score is "10."

The jobs rating of "3.0" is inappropriate. DLCD correctly pointed out in Appendix 4 to its January 28, 1997 letter that URSA 34, which is within ¾ of a mile of URSA 31, is an excellent location to create the jobs needed within Clackamas County. URSA 31 provides a unique opportunity to provide affordable and nearby housing to serve the workers who would be employed in jobs located on URSA 34. Therefore, URSA 31

merits a higher score for jobs, reflecting its key proximity to I-205. Moreover, URSA 34 is already identified as a likely candidate for employer (i.e. jobs) development. Therefore, a more appropriate jobs score would be "7".

The housing ranking of "0" is incorrectly applied to URSA 31. As noted in the September 1996 Report, the URSA-matic score reflects that "the data used are simply a comparison of the number of jobs and housing units. A much more accurate measure would be one that compared the wage level of jobs with the cost of housing. \* \* \*" As demonstrated below, there is a tremendous imbalance in the Lake Oswego area between the wage level of available jobs versus the cost of housing. See Report of Leland Consultants. This imbalance creates a situation which must be corrected to enable Lake Oswego to comply with applicable housing mandates, including Goal 10. This unique problem in the Lake Oswego urban area warrants a score of "10" for this criteria reflecting the serious imbalance relating to the cost of housing. As demonstrated below, the Council herein determines that the imbalance in the cost of housing in the Lake Oswego urban area can be equalized with the inclusion of URSA 31 as an urban reserve.

#### Agricultural Retention and Agricultural Compatibility.

URSA-matic II provides a score of "3" for agricultural retention and a rating of "3" for agricultural compatibility.

The scores are unreasonably low for URSA 31. As noted in previous findings above, the Background Data report dated September, 1996 indicates that in determining agricultural retention for an URSA, consideration was given to five categories, including the four "hierarchy" categories in the Urban Reserve Rule plus whether the land is actively farmed. URSA 31 was not given credit for being first priority land under the urban reserve rule for this factor. This is failure is significant and incorrect. Moreover, virtually none of the EFU zoned lands within URSA 31 are actively farmed. Based on all of the evidence in the record, the Council concludes that URSA 31 warrants a score of 9 for agricultural retention, because there is very little productive agriculture to retain within URSA 31.

URSA 31's score for agricultural compatibility is also unreasonably low. This low ranking incorrectly indicates that farming is the dominant activity in and surrounding URSA 31. As indicated in the Stan Miles and other submissions, the Council finds that URSA 31 is not dominated by farming activity. Moreover, this subarea is surrounded by exception areas, not agricultural lands. Hence, for URSA 31, the likelihood for interference with agricultural uses on adjoining parcels is very low. A score of 9 is appropriate for this factor.

#### SPECIFIC TYPES OF IDENTIFIED LAND NEEDS

There are a variety of specific land needs supporting the inclusion of URSA 31.

##### 1. Affordable housing

The City of Lake Oswego does not have adequate opportunities to supply appropriate amounts of affordable or needed housing to the City or the Metro area. See Generally Report of Leland Consulting. To meet the requirements over the 2015 planning horizon for affordable housing, Lake Oswego must have a minimum of 352 to 480 acres of land suitable for affordable and moderate housing in addition to its current inventory. Moreover, Lake Oswego requires approximately 628 acres of land suitable for affordable and moderate housing in addition to its current inventory by the year 2040. This assessment is detailed in the Leland Consultants Chart appended to the Leland Report.

In addition, Lake Oswego is the least affordable City within the Metropolitan region in housing costs. The median price of a one acre lot in Lake Oswego is approximately \$392,00 and the average price is \$418,000. In contrast, the average price of a one-acre lot in St. Johns is approximately \$212,071.<sup>70</sup> See charts appended to Leland Consulting Report. This is in part because existing development patterns favor larger lot, higher end development, prestige and views within the city. The City of Lake Oswego Comprehensive Plan states that the City is nearly built out in a manner that is unique to other of the region's cities and that this limits City growth. Accordingly, to have the opportunity to meet Goal 10, the Metropolitan Housing Rule and ORS 197.303 for affordable and needed housing over the applicable planning horizon, Lake Oswego must be provided more space within which to plan for a variety of housing types to accommodate projected regional growth.

The alternative of providing affordable housing within the existing Lake Oswego urban area historically has been ineffective. There are inadequate indicators to cause the Council to determine this historic pattern will significantly change for the 2017 or 2040 planning horizon.

First, Lake Oswego is virtually built out. Accordingly, the remaining available land is available for infill type development only. Lake Oswego has identified approximately 130 total acres of land on 83 parcels for this infill development. Of these identified parcels only two are vacant (undeveloped). The remaining parcels all have existing housing. Lake Oswego has allotted 421 units to these 83 identified infill parcels by 2017 and a total of 734 units by 2040. However, this number of infill units does not take into account the significant and peculiar economic or market constraints affecting Lake Oswego. Of the 83 identified potential infill parcels, 29 contain dwellings units which are either new or so expensive as to make demolition improbable. See Report of Leland Consulting.

Moreover, the households who live on the developed infill parcels are composed of people who have chosen house and land and the location of both as a lifestyle. In other words, the owners paid a premium to move onto the parcel to achieve a certain lifestyle and there is nothing to justify an assumption that these people are in any position to redevelop or would redevelop those parcels. Second, the costs of redevelopment are so high as to preclude redevelopment of these developed parcels. This economic model makes it highly improbable these homes are reasonably counted for infill development. It is appropriate to remove the 32

<sup>70</sup>See attached chart.

acres underlying the 29 dwellings above discussed from the infill inventory to obtain a more accurate understanding of the infill potential in Lake Oswego.

This leaves approximately 98 acres of city identified potential infill lands remaining. However, the expected value of these remaining identified potential infill lots alone averages approximately \$109,000 requiring built housing in the range of \$350,00 for a total price of approximately \$460,000 per infill unit. To achieve affordability within this pricing would require densities ranging from 34 units per acre in districts currently zoned for single family detached units. The average size of infill parcels designated by the city is in the range of 65,000 square feet (approximately 1.5 acre) each located on scattered lots. This means it will be very difficult to achieve high, affordable, densities on such parcels because the parcels are too small to enable master planning for such developments. Moreover, these identified "infill" lots are within existing neighborhoods, with established development patterns devoted to much lower densities (4-6) units per acre and expensive homes. Accordingly, it is reasonable to expect affordable development proposals on an intense scale is more costly in suburban areas with development standards fitting suburban prototypes as to parking, tree preservation, open space and setback requirements and height limitations. Such affordable development proposals would be forced to undergo an individual and difficult approval process within neighborhoods currently devoted to high income single family detached housing, further adding to the cost. For all these reasons, the alternative of infill development within the city does not satisfy the special affordability need.

URSA 31 supplies 414 buildable acres that can help to satisfy the special affordability need. While the City may not wish to concentrate affordable housing in one place, URSA 31 provides a large enough number of buildable acres to enable master planning which can provide a mix and range of housing opportunities with a significant number of affordable housing units, in a very livable environment, close to town, regional and the Center Centers. URSA 31 is composed of larger lots which are owned by a relatively few number of property owners. This situation makes it uniquely capable of planning and building a mixed use 2040 community, that can include significant amounts of affordable housing. Urban Reserve 31 is located directly adjacent to proposed City of Lake Oswego urban ball fields and park land. URSA 31 is also located along major and minor arterials and provides important, close connections already used by intense and existing urbanization in the area to I-205. In addition, utility connections are close by and are of a lower comparative average cost than other urban reserve areas. Such utilities can be provided to URSA 31 in a timely and efficient manner.

In sum, Urban Reserve 31 is uniquely suited for the purpose of providing capacity for both affordable and dense community development. It is composed of larger parcels available for long-term, planned developments that can support a variety of housing types including necessary densities and affordable housing. URSA 31 is a uniquely beautiful and livable place providing real opportunities for housing choices regardless of income. Moreover, Urban Reserve 31 is not composed of predominately prime and unique agricultural land, so it does not detract from the region's agricultural base. By including Urban Reserve 31, the region protects prime and unique agricultural land located elsewhere, because Urban Reserve 31 removes

development pressure from the larger blocks of truly fine agricultural land in the region. It removes the pressure from these lands because Urban Reserve 31 provides larger areas for planned development, making the use of larger blocks of nonurban reserve agricultural land unnecessary to satisfy regional needs.

## 2 Land Required to Meet Fair Share Requirements.

The region requires urban reserves in appropriate locations to respond to regional growth pressure. The City of Lake Oswego is a desirable place to live and it is reasonable to expect that the projected number of people anticipated in the 2017, 2027 and 2040 growth projections will insist upon living there.

The City of Lake Oswego acknowledges in its Comprehensive Plan that it is nearly out buildable land. The City's Comprehensive Plan acknowledges that this situation is unique within the region. This unique lack of buildable land triggers a special need to provide urban reserves proximate to the City of Lake Oswego to enable the City to absorb its fair share of the region's affordable and other housing and jobs needs to accommodate projected regional growth.

While the City of Lake Oswego has an urban services boundary (USB), Metro cannot rely exclusively on the political and annexation decisions necessary to provide an adequate supply of land to support jobs and affordable and appropriate numbers of housing units. While the region hopes for such to occur, the requirement that the Metropolitan Region have an adequate supply of urbanizable land within the urban growth boundary and for potential use with urban reserves is too critical to justify the assumption.

Even if annexation of the USB occurred, with two exceptions, those lots now considered for infill within the combined USB and City limits that are deemed "vacant" are not undeveloped. Moreover, using existing zoning, the maximum space available from infill is 476 units and this number will be reduced by environmental constraints. The average assessed value of the available infill parcels is \$172,000, and the average parcel size is 66,959 square feet. Further, this average assessed value of \$172,00 lags significantly behind the market sales prices for these parcels, which sell on average for over \$400,000. All except two of the infill lots underlie homes at an average of 2800 square feet, with an assessed average value per acre in excess of \$372,000, and which range in value up to \$680,000. In short, it is unreasonable to assume this land is available for the required dense and affordable housing necessary to meet legal requirements. This is a special and unique problem experienced by the City of Lake Oswego. It requires special and unique solutions. The City will have a unique set of challenges associated with infill given this established pattern.

Given these factors, failing to provide Lake Oswego with urban reserves will likely shift growth and affordable housing which should be absorbed by the City to other local governments. There is no evidence the City of Lake Oswego can or plans to provide affordable and dense redevelopment given its demographics, as called for by the 2027 and 2040 projections. Although the city adopted an amendment to its Zoning Code text (ZC 5-96,

February 5, 1997) to increase density, it did so by imposing a minimum density only where certain land divisions occur in the city's R-3 and R-5 zoning districts. This new minimum density requirement applies to only 37 acres of land – just 10% of the available vacant and infill parcels. There is no requirement for minimum densities for the majority of City land (located in R-7, R-10, and R-15 zoning districts) or for large scale rezoning required to subject more available infill and vacant land to the new minimum density requirement. As stated by the City during the hearing on the new ordinance:

“the large and vast majority of the of the community is R-7, [R]-10 and [R]-15. \* \* \*” [Transcript page 10.]

The City acknowledges that the minimum density concept applies to only a “handful of sites” because those handful of sites are what is left in the city of “parcels of significant size - maybe five acres or three acres \* \* \*” Transcript page 2.

This revision to the Code will have some positive impact, but is not reasonably assumed to be adequate to enable the city to meet its share of 2040 densities. Also, because of the peculiar lack of buildable land, it does not provide the city with any significant amount of land to enable master planning to achieve the building of 2040 growth concept communities.

The inclusion of the Lake Oswego urban reserves, of approximately 800 acres, provides the citizens of the City of Lake Oswego the ability to chart their own future, consistent with the City's unique built out character. These urban reserves also provide the option of urban reserve land to enable Lake Oswego to accommodate its fair share of affordable housing, schools and jobs. This enables the citizens of the City of Lake Oswego to accommodate growth projections without Metro necessarily requiring the residents to give up amenities and qualities. Given the City's unique lack of buildable land, and the very limited effect of the City's new minimum density requirement, providing the option for an "out" as well as an "up" approach to growth is a prudent safety net to ensure the region maintains its goal of a compact, efficient urban form in this area. In addition, the Council is concerned that failing to provide these urban reserves to the city will put the City out of compliance with Goal 10 and HB 2709 among other legal requirements relating to housing.

Even though the City of Lake Oswego is the most affluent in the region, its citizens and current political leadership have voiced serious objections to the cost of urban services to accommodate regional growth projections. In this regard, including the Stafford area urban reserves will allow the City if it chooses to spread the costs of urbanization among a potentially greater number of people, enabling growth to occur and the City to absorb its fair share of that growth, at reasonable cost. With these reserves, the City of Lake Oswego will have the necessary flexibility to accommodate a variety of housing types and 2040 growth concept densities, without significant disruption of existing Lake Oswego communities. Including the Lake Oswego/Stafford area Urban Reserves (Urban Reserves 31, 32 and a portion of 33 shown on the attached map), but particularly URSA 31 fulfills twin goals: enabling Metro to ensure that Lake Oswego can absorb its fair share of affordable and dense housing, and empowering



the citizens of the City of Lake Oswego to maintain choices as to how such projected growth affects the city's character.

In short, the Lake Oswego/Stafford area Urban Reserves (Urban Reserves 31, 32 and a portion of 33 shown on the attached map), but particularly URSA 31, provide the City the ability to maintain its character, and also absorb its fair share of the region's growth. In addition, the Council believes these Urban Reserves will provide the City with the necessary incentive to accommodate larger numbers of people and jobs because of the potential to spread the costs of growth among such larger numbers of people.

### JOBS/HOUSING IMBALANCE

As noted in the September 1996 Report, the URSA-matic model evaluated the jobs housing balance of a given area with reference to certain measurable factors. The September Report indicates the URSA-matic model is limited, as follows "the data used are simply a comparison of the number of jobs and housing units. A much more accurate measure would be one that compared the wage level of jobs with the cost of housing. \* \* \*" However, where there is site specific information concerning a specific comparison of the wage level of jobs with the cost of housing, such specific information is relevant to the scoring of the particular area regarding the jobs housing balance.

The Urban Reserve Rule authorizes including land as an urban reserve to meet favorable ratios of jobs to housing for areas of at least 100,000 population served by one or more designated regional centers. There are four designated regional centers with a population of 100,000 served by URSA 31. Within these regional centers, as shown in the Leland Consulting Report, there is a jobs and housing imbalance when the wage level of jobs is compared to the cost of housing within any of the four designated regional centers to which URSA 31 is proximate.

There is an especially troubling imbalance in the Lake Oswego area between the wage level of jobs versus the cost of housing. See Report of Leland Consultants. This makes URSA 31 an appropriate location for urban reserves to balance this particular jobs housing imbalance.<sup>71</sup>

The imbalance requires correction and justifies including Urban Reserve 31 to enable Lake Oswego and affected areas of the region to correct this imbalance. This unique and serious imbalance in the cost of housing versus wages in the Lake Oswego area is explained in detail above. The Council herein determines that the imbalance in the cost of housing in the Lake Oswego urban area can be equalized with the inclusion of URSA 31 as an urban reserve, and this is an important jobs housing balance issue.

URSA 31 provides land to enable planned solutions to this existing and worsening imbalance regarding housing affordability for persons reasonably expected to be employed

<sup>71</sup> This imbalance is a different kind of imbalance than referred to regarding other urban reserve areas.

within the regional and town centers served by URSA 31, as well as the nearby Central City. The median income of workers will not currently or in the foreseeable future in the absence of URSA 31, support the existing housing market in Lake Oswego. This imbalance justifies including URSA 31 as an urban reserve.

7. The Stafford urban reserves comply with OAR 660-21-030(4)(c).

The Council finds above that the Stafford area urban reserves, Urban Reserves 31, 32, 33 and 34, are First Priority lands under the Urban Reserve rule because they are either exception lands or EFU zoned land not composed predominately of prime or unique agricultural land and are not high value crop land as that term is defined in Goal 8, completely surrounded by exception areas. However, URSA 31 is also independently justified for inclusion as an urban reserve because it promotes the maximum efficiency of land uses consistent with OAR 660-21-030(4)(c).

OAR 660-20-030(4)(c) refers to including as urban reserves land that enables the region to provide for the maximum efficiency of land uses. URSA 31 is central to the 1214 acres of exception land within URSA 31, 33 and 34. Given the location of these exception areas, near the regional central City of Portland, to regional and town centers, densities in the Stafford area, and considering regional water quality and quantity concerns, as well as public health and safety concerns, it is appropriate to serve these exception areas with urban services, including water and sewer. The maximum efficiency of land uses within the proposed urban reserve area requires the inclusion of Urban Reserve Area 31 in order to provide affordable and efficient services to the exception areas within Urban Reserve Areas 34, 33 and 31. Skipping over the unexcluded EFU acres in URSA 31 would encourage leapfrog and inefficient development and result in inefficient use of the substantial existing and future investments of public resources in this area. Among the already existing substantial public investments in the area is the Stafford interchange, water and sewer service at Rivergrove and unincorporated areas outside Rivergrove, to Bergis and Rosemont Roads and the proposed large regional Lake Oswego park investment, as well as a public school (Stafford School) located outside of the UGB. Including Urban Reserve Area 31 will allow urban services to be provided in an efficient and less costly way to those exception lands that will likely demand such services over the planning period, without impacting significant regional agricultural resources.

In this regard, the URSA-matic subfactor reference to an efficiency factor did not score URSA 31 considering the economies of scale efficiency well served by URSA 31. URSA-matic considered efficiency only in terms of buildability. The closer look at URSA 31 herein establishes it provides a maximum efficiency of public dollars required to serve URSA exception areas in URSA 31, 33 and 34 also requires inclusion of service to the unexcluded EFU lands within URSA 31.

----- COMPARISON OF FOOTNOTES -----

-FOOTNOTE 1-  
ORS 268.390(3).

-FOOTNOTE 2-  
League of Women Voters v. Metro, 99 Or App 333 (1989).

-FOOTNOTE 3-  
See ORS 268.380.

-FOOTNOTE 4-  
OAR 660-21-040.

-FOOTNOTE 5-  
OAR 660-21-020.

-FOOTNOTE 6-  
OAR 660-21-070(1).

-FOOTNOTE 7-  
See ORS 197.610(1).

-FOOTNOTE 8-  
See ORS 197.298(1).

-FOOTNOTE 9-  
See RUGGO, Goal I, Objective 3.

-FOOTNOTE 10-  
See OAR 660-21-070(2).

-FOOTNOTE 11-  
See Region 2040: Recommended Alternative Technical Appendix, September 15, 1994.

-FOOTNOTE 12-  
See Resolution No. 96-2244.

-FOOTNOTE 13-  
See Kvistad memo of December 11, 1996, and URSA model estimate.

-FOOTNOTE 14-  
See Urban Growth Management Functional Plan Title 1 and exceptions in Title 8.

-FOOTNOTE 15-

See Urban Growth Report.

-FOOTNOTE 16-

OCAR 660-21-030(1) requires a 10 to 30-year supply of urban reserves beyond the 20-year UGB = 30 to 50-year total supply or 2027 to 2047.

-FOOTNOTE 17-

See current RTP LOS Standards Map of 2015 One Hour Peak Traffic Volumes

-FOOTNOTE 18-

See Resolution No. 96-2244.

-FOOTNOTE 19-

Town Center (15.5 DU, 41.1 Emp.), Inner Neighborhood (11.0 DU, 4.1 Emp.), Corridor (15.0 DU, 15.0 Emp.), Open Space (1.0 DU, 0 Emp.), Employment Areas (0 DU, 26.0 Emp.).

-FOOTNOTE 20-

See Metro staff memo of January 28, 1997 on agricultural compatibility computation.

-FOOTNOTE 21-

See Metro staff memo of January 30, 1997 on transportation facilities at 99W and Mt. Hood Parkway which describes 99W as a four-lane, limited access highway with shoulders and a median strip for a right-of-way of about 120 feet.

-FOOTNOTE 22-

See summary at p. 5 of Executive Officer Recommendations, September 3, 1996.

-FOOTNOTE 23-

See Urban Reserve Study Areas, Prime and Unique Farm Land map.

-FOOTNOTE 24-

See III, below, explaining the preliminary Urban Growth Report estimate of UGB capacity in detail.

**-FOOTNOTE 25-**

**OCAR 660-21-030(3)(b) refers to land designated as marginal under a repealed statute, ORS 197.247. Since the rule was readopted in November, 1996, after the date ORS 197.247 was repealed (1993), it is assumed LCDC meant to continue to prioritize land zoned EFU, but otherwise determined to be marginal. Here, the determination that URSA 31 is marginal predates the repeal of ORS 197.247 and is a legislative determination by Clackamas County regarding the same. The Council hereby adopts that previous County determination regarding the marginal character of the EFU zoned land.**

-FOOTNOTE 25 26-

Wilsonville staff memorandum of \_\_\_\_\_, 1997.

-FOOTNOTE 26 27-

Goal 9 Economic Opportunities Analysis, Technical Memorandum #7, August 1992, Leland Consulting Group, at page 53.

-FOOTNOTE 27 28-

Ibid. at page 69, 70.

-FOOTNOTE 28 29-

See City of Hillsboro, Absorption Analysis: Hillsboro Industrial Lands Sanctuary, January 16, 1997, at page 1.

-FOOTNOTE 29 30-

See aerial photograph of Hillsboro Airport industrial area.

-FOOTNOTE 30 31-

See Land Use and Absorption and Public Facilities Information, Hillsboro's Industrial Land Inventory tables at pp. 11-14.

-FOOTNOTE 31 32-

City of Hillsboro letter dated January 31, 1997 and related map and annotated aerial photograph.

-FOOTNOTE 32 33-

Land absorption Report, 1997. Goal 9 requires that an "adequate supply of suitable size, type, location and service levels" of industrial land be included in comprehensive plans.

-FOOTNOTE 33 34-

Goal 9 Economic Opportunities Analysis, Technical Memorandum #7, August 1992, Leland Consulting Group.

-FOOTNOTE 34 35-

See Port of Portland Hillsboro Airport Master Plan, Final Report, pp. 84-88.

-FOOTNOTE 35 36-

The Hillsboro Sanitary Sewer Master Plan is part of the City's acknowledged comprehensive plan.

-FOOTNOTE 36 37-

See USA letter of January, 1997.

-FOOTNOTE 37 38-

Livingston to Brooks letter of January 15, 1997.

-FOOTNOTE 38 39-

Soils Survey Report Standing Property Washington County, Figure 4.

-FOOTNOTE 39 40-

Site 27 had the identical score of 48.5.

-FOOTNOTE 40 41-

Metro, Executive Officer Recommendations, September 1996, page 10.

-FOOTNOTE 41 42-

Oregonian, September 19, 1996; Hillsboro Absorption analysis, 1997

-FOOTNOTE 42 43-

These numbers assume eight new jobs per acre.

-FOOTNOTE 43 44-

Tualatin Valley Economic Development Corporation, July 1996.

-FOOTNOTE 44 45-

Alpha Engineering report dated January 31, 1997.

-FOOTNOTE 45 46-

See City of Hillsboro Memorandum, supra.

-FOOTNOTE 46 47-

See Alpha Engineering report, supra.

-FOOTNOTE 47 48-

City of Hillsboro memorandum, supra.

-FOOTNOTE 48 49-

See Alpha Engineering report, supra.

-FOOTNOTE 49 50-

Transcript of LCDC November 1, 1996 hearing where the Urban Reserve Rule was amended.

-FOOTNOTE 50 51-

Id.

-FOOTNOTE 51 52-

See Transportation Planning Rule at OAR 660-12-035(4)(e): "The transportation system shall avoid principal reliance on any one mode of transportation and shall reduce principal reliance on the automobile. . . . (4) In MPO areas, regional and local TSPs shall be designed to achieve the following objectives for reducing automobile vehicle miles traveled (VMT) per capita for the MPO area: (a) No increase within ten years of adoption of a plan as required by OAR 660-12-055(1); (b) A 10% reduction within 20 years of adoption of a plan . . ." (emphasis added)

-FOOTNOTE 64 65-  
Ibid. at page 34.

-FOOTNOTE 65 66-  
Ibid. at page 23.

-FOOTNOTE 66 67-  
Ibid. at page 24.

-FOOTNOTE 67 68-  
See Cornelius staff memo of January 28, 1997.

-FOOTNOTE 69-  
See URS Greiner Report.

-FOOTNOTE 70-  
See attached chart.

----- COMPARISON OF FOOTERS -----

-FOOTER 1-  
Page 33 45 - Findings and Conclusions 1/31/97 2/6/97

PROPOSED  
URBAN RESERVE AREA DESIGNATIONS  
FINDINGS AND CONCLUSIONS

I. Introduction

The Metro regional urban growth boundary (UGB) has always been Metro's responsibility under state law.<sup>1</sup> The Metro UGB has been acknowledged to comply with state law and statewide planning goals by the Land Conservation and Development Commission (LCDC). The courts have interpreted the regional UGB to be an acknowledged comprehensive plan provision of the comprehensive plans of the 24 cities and 3 counties in Metro.<sup>2</sup> No land was added to the regional UGB in its first Periodic Review, completed in December, 1992. However, detailed UGB amendment procedures, codified in Metro Code 3.01, were acknowledged at that time.

Metro's 1991 regional goals and objectives,<sup>3</sup> called Regional Urban Growth Goals and Objectives (RUGGO), first included an urban reserves Objective. It was the source of proposed legislation and LCDC's 1992 Urban Reserve Rule. Metro 1995 RUGGO, including its urban reserves provision, was acknowledged by LCDC on December 9, 1996, following 1996 amendments to the Urban Reserve Rule. The purpose of Metro's designation of urban reserves is to identify areas outside the current UGB to be reserved for eventual inclusion in the UGB. Counties, then, protect those designated areas from patterns of development which would impede urbanization by rural zoning with special features including recognition of future service corridors.<sup>4</sup>

The Metro Council is required to designate the location of urban reserve areas.<sup>5</sup> Metro's designation of urban reserve areas is required to follow postacknowledgment procedures in state law.<sup>6</sup> Therefore, notice of the urban reserve ordinance, including the approximately 18,100 acres of proposed urban reserve areas sites in Exhibit B of the ordinance, was given to the Department of Land Conservation and Development (DLCD) on December 17, 1996, more than 45 days prior to the final hearing on February 13, 1997.<sup>7</sup> Final action to adopt the amended ordinance, including about 18,400 acres designated as urban reserves, was taken on February 20, 1997. Notice of that adoption to the Department of Land Conservation and Development per ORS 197.615(1) was required by the adopted ordinance.

This urban reserve ordinance contains amendments to two acknowledged regional plans. First, the acknowledged Metro Code 3.01 UGB Amendment Procedures are amended to limit any UGB amendments to urban reserve areas in Exhibit B consistent with state law and to clarify procedures for bringing urban reserves into the UGB when needed.<sup>8</sup> Second, the 2040 Growth Concept Map in acknowledged RUGGO is amended to show the urban reserve areas designated

---

<sup>1</sup> ORS 268.390(3).

<sup>2</sup> League of Women Voters v. Metro, 99 Or App 333 (1989).

<sup>3</sup> See ORS 268.380.

<sup>4</sup> OAR 660-21-040.

<sup>5</sup> OAR 660-21-020.

<sup>6</sup> OAR 660-21-070(1).

<sup>7</sup> See ORS 197.610(1).

<sup>8</sup> See ORS 197.298(1).



in Exhibit B of this ordinance. The 2040 Growth Concept text and map, like all acknowledged RUGGO provisions, is binding on Metro, not cities and counties.<sup>9</sup>

In addition to these amendments of acknowledged regional plans, this ordinance complies with Metro's responsibility under OAR 660-21-020 to designate urban reserve areas as part of the process to include urban reserve areas in city and county comprehensive plans with protective zoning.<sup>10</sup>

## II. Need For Urban Reserve Area Land - OAR 660-21-030(1)

Urban reserve areas must include an amount of land estimated to be at least a 10-year and no more than a 30-year supply of developable land beyond that needed for the 20-year UGB. The Metro Council used the 2040 forecast restated in the Urban Growth Report. That forecast estimates that another 359,653 households and 561,800 jobs will need to be accommodated within the UGB to the year 2040. This is the same forecast that was the basis for the acknowledged 2040 Growth Concept<sup>11</sup>.

Much of that 43-year need from 1997 to 2040 will be met from the current capacity of the current acknowledged UGB. The UGB capacity to 2017 has involved updates from the early (1994) 2015 estimates used for the 2040 Growth Concept. Conflicting estimates of that updated capacity have been submitted for the record. MPAC and the Executive Officer have recommended using the, admittedly, ambitious estimates of 243,600 households and 461,663 jobs from the Urban Growth Functional Plan which assumes that the current acknowledged UGB will have a 20-year supply of buildable land to 2017 upon implementation of that Functional Plan to substantially increase development densities inside the current UGB.

However, the preliminary estimates in the Urban Growth Report, as amended by the Metro Council are 206,600 households and 461,663 jobs. The final Urban Growth Report estimate of the current capacity of the acknowledged UGB is scheduled to be determined later in 1997.<sup>12</sup> The preliminary estimates in the amended Urban Growth Report indicated that land for about 41,000 additional households may be needed in addition to land inside the current UGB for a 20-year capacity to 2017. This amended Urban Growth Report capacity for the current UGB was used to calculate urban reserve need because long-range estimates are uncertain and some urban reserves may soon be "used" to comply with the requirement in ORS 197.296 for a 20-year land supply for the UGB.

The Metro Council estimated this land need for urban reserves to 2040 at roughly 18,300 acres. This estimate is consistent with the URSA study model using the preliminary Urban Growth Report estimates of 206,600 households and 461,663 jobs for the capacity of the 20-year UGB.<sup>13</sup>

In addition to the uncertainties of implementing the newly adopted functional plan capacities,<sup>14</sup> population and employment have increased faster than the 2015 forecast which was completed

<sup>9</sup> See RUGGO, Goal I, Objective 3.

<sup>10</sup> See OAR 660-21-070(2).

<sup>11</sup> See Region 2040: Recommended Alternative Technical Appendix, September 15, 1994.

<sup>12</sup> See Resolution No. 96-2244.

<sup>13</sup> See Kvistad memo of December 11, 1996, and URSA model estimate.

<sup>14</sup> See Urban Growth Management Functional Plan Title 1 and exceptions in Title 8.

with the 2040 forecast.<sup>15</sup> To the extent that growth may be understated in the 2015 and 2040 forecasts completed in 1994, more urban land will be needed by 2040. By using a conservative estimate of the capacity of the current UGB, designated urban reserves are more likely to meet the need to 2040. If that supply meets the need to 2047, due to the success of the Functional Plan, the purposes of the Urban Reserve Areas Rule will have been met.<sup>16</sup> If the Functional Plan is overwhelmingly successful at increasing the household and employment capacity of the current UGB, urban reserves may be adjusted at the 15 year review required by the Metro Code procedure.

### III. Suitability Analysis and Alternatives Analysis - OAR 660-21-030(2)

#### 1. Suitability Analysis Required

The Urban Reserve Areas Rule requires that lands adjacent to the UGB be studied for suitability for designation as urban reserves measured by the 5 "location factors" of Goal 14:

- (3) Orderly and economic provision for public facilities and services;
- (4) Maximum efficiency of land uses within and on the fringe of the existing urban area;
- (5) Environmental, energy, economic and social consequences;
- (6) Retention of agricultural land as defined, with Class I being the highest priority for retention and Class VI the lowest priority; and
- (7) Compatibility of the proposed urban uses with nearby agricultural activities."

A study model often referred to in the record as "URSA-matic," was developed to analyze data used to evaluate the suitability factors required by the Rule. Three Factors have subfactor analyses. The public facilities factor was analyzed based on (1) a utility feasibility study, for relative sewer, water, storm facility costs; (2) existing roads; (3) estimated traffic congestion; and (4) distance to existing school lands. Efficiency of land uses was analyzed based on developable area after discounting steep slopes, floodplains, wetlands. ESEE consequences were analyzed by rating (1) percentage of environmentally constrained land; (2) distance to centers; and (3) jobs/housing balance.

#### Factor 3. "Orderly and economic provision for public facilities and services"

Four types of analysis were performed to address this factor:

- (1) Utility feasibility study examines the relative cost of urban water, sewer and stormwater facilities;
- (2) Road network analysis looks at the current network of local and regional roads and compares it to future needs;
- (3) Traffic congestion analysis considers likely improvements to the road system and then rates the resulting road system and its congestion for each site;
- (4) School analysis determines the distance to existing public schools and vacant school-owned land.

---

<sup>15</sup> See Urban Growth Report.

<sup>16</sup> OAR 660-21-030(1) requires a 10 to 30-year supply of urban reserves beyond the 20-year UGB = 30 to 50-year total supply or 2027 to 2047.

Relative cost of extending three basic types of urban services to urban reserve areas is labeled "utility feasibility" in the model. Utility Feasibility Analysis for Metro 2040 Urban Reserve Study Areas (June, 1996) was completed by KCM Consultants. This report estimates the type of major facility improvements needed and compares the relative cost to extend urban level services to the study areas at buildout conditions based on projected development scenarios of the 2040 Growth Concept. The higher the index rating, the lower the relative cost of providing the services. The ratings were developed from the total utility cost for each URSA site in Table B-1 of the study.

The "Road Network" analysis is a comparative analysis of the additional investment required for additional arterials and local roads. Each urban reserve area was estimated to need approximately 16% of its area for local roads and 4% for arterials. Using the TIGER street network on Metro's geographic database, all existing street were measured. The amount of street area built was compared to the amount of street area needed. These ratios were converted to scores from 1 to 10 the higher the score, the greater suitability for urban reserves.

The "Traffic Congestion" analysis was based on the commute corridors which would be used by residents of each study area. The existing transportation system, plus the set of improvements included in the financially constrained Regional Transportation Plan was used. The forecasted travel demand estimated for the year 2015, the most recent forecast available, was used.

An average peak hour volume to capacity (v/c) ratio was identified for the commute corridors. These ratios were converted to ratings of 1 to 10 with lower v/c ratio (more capacity) getting higher ratings of relative suitability for urbanization.

The "Schools" analysis used a Pedestrian Accessibility program. All vacant and developed school-owned land was used to develop scores based on walking distance along existing roads to elementary, middle, high schools and vacant land. These scores were converted to ratings of 1 to 10 with higher ratings for those study areas with greater average accessibility to schools.

Factor 4. "Maximum efficiency of land uses within and on the fringe of the existing urban area" Two related analyses were used for this factor. The "Efficiency" analysis rates relative suitability based on the area within each urban reserve area that is relatively free of development limitations. A series of discount rates based on steep slopes, landlocked parcels, small lot limitations was developed in the Zell Report and environmentally constrained land was removed. This report was based on a random sample of parcels to evaluate Metro allocation of density in the 2040 studies. These discounts were applied to URSA's to create a rating of 1 to 10 with a higher rating for higher relative suitability for urbanization.

The "Buildable Land" analysis is an evaluation to determine the estimated number of acres considered suitable for development. Environmentally constrained land was removed (see Environmentally Constrained Lands map), efficiency factor discounts were applied and a reduction of 25% was applied to account for land needed for future streets, schools, parks, churches and other publicly-owned land. The percentage of buildable land for each study area was calculated. That percentage was converted to a 1 to 10 rating, the higher the score, the greater the suitability for urban reserves.

Factor 5. "Environmental, energy, economic and social consequences"

Three analyses were used for this factor. First, "Environmental Constraints" analysis identified steep slopes, floodplains, floodprone soils, wetlands, and riparian corridors. Slopes over 25%, 100-year floodplain (not currently developed or committed), NRCR floodprone soils (not committed), National Wetlands Inventories wetlands, and mapped riparian corridors were used.

The percentage of environmentally constrained land was calculated. These percentages were converted to ratings of 1 to 10 with low percentages of environmentally constrained lands receiving a higher rating of suitability for future urbanization.

Energy and social consequences were evaluated by the "Access to Centers" analysis. Distances along public rights of way to the central city, regional centers and town centers identified in the 2040 Growth Concept. Raw scores were developed for accessibility within 12 miles of the Central City, .6 miles of a regional center and 3 miles to a town center. These raw scores were converted to a 1 to 10 rating with greater access given a higher rating.

The "Jobs/Housing Balance" analysis assesses energy, economic and social consequences in Factor 5. A balance of jobs and housing in each regional center area reduces vehicle miles traveled in the region consistent with Metro's RUGGO and energy reduction goals of LCDC's Transportation Planning Rule. Providing the opportunity to develop jobs and housing near each other is expected to result in shorter trips and more travel options. Housing near jobs is also essential for regional centers to achieve economic viability in the acknowledged 2040 Growth Concept. Much of the projected traffic congestion is among regional center areas and the Central City.<sup>17</sup>

The jobs-housing balance factor for the relative suitability analysis was based on the five regional center market areas from the 2040 Technical Analysis which included Portland, Hillsboro, Beaverton/Washington Square, Milwaukie/Clackamas Town Center, and Gresham. No urban reserve will be in the Portland (Central City) regional center area. The remaining four regional market areas with urban reserve study areas had jobs to housing ratios in the 2015 Forecast as follows: Hillsboro 1.47 (housing poor); Beaverton/ Washington Square 1.19 (balanced); Milwaukie/Clackamas Town Center 0.97 (balanced); Gresham 0.82 (jobs poor). These ratios were converted to a 1 to 10 rating with Hillsboro and Gresham urban reserve study areas receiving a maximum 10 points for urbanization based on being the most jobs rich suburban area. This reflects a general need for housing lands to balance jobs in the Hillsboro areas, and a need for land for jobs in the Gresham area to balance housing.

A more detailed explanation of the relative jobs-to-housing ratios is found in VII.3, below.

Factors 6 and 7. Agricultural land

The two agricultural land factors were analyzed without subfactors. Retention of agricultural land was addressed by rating each study area for exception land, agricultural soils, land uses, including parcelization, and access to irrigation. Agricultural compatibility was analyzed for areas where farming is the most dominant activity. An error discovered in the computation on this factor was corrected in the URSA reanalysis as explained in the staff memo in the record.

---

<sup>17</sup> See current RTP LOS Standards Map of 2015 One Hour Peak Traffic Volumes

The "Agricultural Retention" analysis was done on the basis of raw scores for the kinds of lands in the study area. Exception lands received varying points based on parcel size. Farm and forest lands (resource lands) received varying points based on parcel size. Additional points were given for class I-IV soils, available irrigation and for prime or unique agricultural lands. The raw scores were converted to ratings of 1 to 10 with study areas containing less agricultural land receiving a higher rating for future urbanization.

## 2. Urban Reserve Study Areas (URSA) Analysis

Using early development of the suitability analysis, and the Region 2040 estimate from 1994 that about 14,500 acres may be needed for urbanization by 2040, the Metro Council selected about 23,500 acres for Metro to study for about 14,500 acres of urban reserves.<sup>18</sup> Most, if not all, URSAs are generally "suitable." The ratings in the September, 1996, "Background Data" presented by the Executive Officer are ratings of the relative suitability of each URSA to every other URSA based on the URSAs in the Council's resolution. The URSA study model used to produce these ratings of relative suitability compares all study areas to all other study areas for each suitability factor and subfactor. Therefore, the relative suitability ratings are an important part of the alternatives analysis required as part of determining suitability. The initial URSA analysis was completed by the Executive Officer as part of his recommendation to the Metro Council. The first variable is the 2040 forecast need for an additional 359,653 households and 561,800 jobs to be accommodated by 2040. This 43-year forecast is within the 30 to 50-year timeframe required by the Urban Reserve Rule. This forecast for a 43-year need was recommended by the Executive Officer and accepted by the Metro Council as the basis for designation of urban reserves.

The second important variable used in the URSA study model is the estimated capacity of the existing acknowledged UGB. MPAC and the Executive Officer recommended using the estimates of 243,611 households and 461,663 jobs used for the Urban Growth Management Functional Plan. The Functional Plan requires changes in city and county comprehensive plans, seeking to accommodate 20 years of population and employment growth, to 2017, inside the existing UGB. The 243,611 households represents that estimated growth to 2017. The relative suitability ratings from the first URSA study model analysis are based on a need for urban reserves of about 14,000 acres. The Metro Council did not accept this recommendation and the different estimated UGB capacity resulting in a need of about 18,300 acres is the biggest change in the results of the reanalysis in III.3. below.

The estimated rates for redevelopment and infill used in the URSA study recognize that not all growth consumes vacant land. The rates of 30% of households and 42% of jobs being accommodated by redevelopment and infill represent a slight increase over current rates for the years 2017 to 2040.

The Urban Reserve Rule requires Metro to consider all five factors to determine suitability of land for urban reserves. The URSA study model analysis weighs each factor equally, and those which have subfactors analyzed weigh each of these equally for those factors.

---

<sup>18</sup> See Resolution No. 96-2244.

Capacity determinations were made using the dwelling units (households) per acre estimated for design types of the acknowledged 2040 Growth Concept.<sup>19</sup> Since much of the areas in urban reserves was assumed to be outer neighborhood (10.0 DU, 4.1 Emp. per acre), the average density for all URSAs and all design type areas was about 9.8 dwelling units per buildable acre in both the initial URSA analysis and the reanalysis.

The recommendation from the initial analysis included an estimate that about 575 acres of URSAs would be needed to be redesignated from residential to employment uses. This is a recommendation to provide areas for economic development in jobs poor areas for the increased urban land east of the UGB when URSAs are needed. However, the study model ratings are all based on residential use. So, no specific land was identified for employment uses using the model.

Using initial computer study model developed by staff, a rating score of 50 balanced the need to accommodate need of 81,229 households and 58,079 employees on 13,995 acres of land. From that, the Executive Officer recommended excluding 362 acres of resource land and the nonresource portion of an additional site was added to yield a final recommendation of 13,893 acres including 787 acres of resource lands surrounded by exception lands. Before adjustments to the model for the analysis discussed below, changing the UGB capacity from 243,611 households to 206,600 households resulted in the rough need estimate of about 18,300 acres of urban reserves .

3. New Relative Suitability Ratings- URSA Reanalysis  
a. Changes For The Reanalysis

The new boundaries for several URSAs approved at the December 5 and 12, 1996, Metro Council work sessions removed resource lands from URSAs #2, 3, 10, 22, 24, 25, 29, 45, 49, 51, 61, 62, 63, 64, 65. These changed study areas boundaries would change the relative suitability ratings of those URSAs and, since all URSAs are compared to all other URSAs, the comparative rating score for all URSAs. In addition, exception land in URSA #1 was removed for environmental and services constraints changing URSA boundaries and ratings. All of these changes reduced the URSAs in consideration from 22,909 acres to 20,049 acres. URSA #47 was modified to take out 46.5 acres of floodplain. URSA #59 was modified to remove floodplain and establish a uniform boundary. (See IV, below.) URSAs #69 and 70 were modified to eliminate 461.9 acres of less efficient land.

The URSA study model, is a general tool for comparing the relative suitability of the areas studied for inclusion in urban reserves. It was used as a guide for applying the suitability factors and alternative analysis requirements of the Urban Reserve Rule by the Council. Significant testimony and data was in public hearings that was often more site specific and detailed than the regionwide application of the suitability factors in the study model. Therefore, the study model ratings were used as reference material by the Metro Council.

---

<sup>19</sup> Town Center (15.5 DU, 41.1 Emp.), Inner Neighborhood (11.0 DU, 4.1 Emp.), Corridor (15.0 DU, 15.0 Emp.), Open Space (1.0 DU, 0 Emp.), Employment Areas (0 DU, 26.0 Emp.).

The basic assumptions and data used for the model were unchanged in the reanalysis. The capacities for each design type were retained. The equal weight of the factors was retained for the calculation before weight was given to Factor 4 scores of 0 (explained below). However, the key element of land need was changed as explained in II.2, above. On the summary, then, the "Current UGB HH Capacity" is 206,600 households and the "Current UGB Employment Capacity" is 461,633 jobs. The boundaries of the URSAs were changed as explained above. To match the potential households to needed households, the "minimum qualifying score" in the reanalysis was 33 and 19,123 acres were used by the model.

Two computation errors in the initial analysis were discovered and corrected in the reanalysis. In the first URSA Analysis, sites #61, 62, and 63 were erroneously included in the Beaverton-Tigard regional area, instead of the Hillsboro regional area for the job-housing balance subfactor rating. The computation of the agricultural compatibility rating did not correctly account for the incompatibility of urban land inside the UGB with adjacent agricultural land.<sup>20</sup>

A further change was made to obtain a meaningful differentiation in ratings for the "access to centers" subfactor. Accessibility at 20 miles from central city, 10 miles from regional center and 5 miles from town center was used for the reanalysis.

#### b. Application of the Reanalysis

Review of the relative suitability scores for Factor 4 indicated several ratings of zero for the "efficiency" and "buildable lands" subfactors. URSAs were excluded from inclusion in urban reserves if each of these subfactors were rated zero, as follows: URSAs #12, 16, 36, and all of #3 except for approximately 8 acres needed for a road connection for existing development were excluded from the URSAs to be evaluated for inclusion as urban reserves. The reason for this "weight" on Factor 4 subfactors is to avoid the futility of adding lands to urban reserves which would eventually extend they UGB, but yield almost no efficiently buildable land. As a result of these exclusions, 243.3 acres selected by the model were excluded and 8 acres retained from these study areas.

URSA #4 and #68 were retained for a logical boundary despite the subfactor zero ratings because these areas are surrounded by the existing UGB. URSA #67 was further revised after review of the second run of scores. Approximately 48 acres of resource land and 30 acres of rural residential exception land in the northwest corner of #67 were removed from consideration. This change retained a logical boundary, removed unbuildable forest resource land and the steep slope exception lands of greatest inefficiency. This increases the efficiency and buildable lands for the remaining URSA #67. The remaining 318-acre area still has about 109 buildable acres.

Review of the remaining selections of the model resulted in additional exclusions and one addition. URSA sites 21, 27, 28, 38, 71, 72 were excluded as resource lands. That removed about 180.5 acres selected by the model. URSA #20 of 159.6 acres was excluded based on its parcelized existing development, location above to two creek

---

<sup>20</sup> See Metro staff memo of January 28, 1997 on agricultural compatibility computation.

drainages and evidence in the record of storm drain and septic problems on the steep slopes of its boundaries so severe that existing houses have broken apart from earth movement under them.

Three additional URSAs were removed for consideration of uniform boundary. URSA #40, 35.5 acres with 11.9 acres of resource lands, was excluded to retain Graham's Ferry Road as the logical boundary in that area adjacent to Wilsonville. URSA #60 of 279.8 acres with 140.5 acres of resource lands was excluded in favor of the smaller URSA #59 of about 35 acres of resource lands. This would retain the existing UGB boundary at Council Creek in that area adjacent to the City of Cornelius.(see VII below). URSA #46 of 111.6 acres of exception land and 5.7 acres of resource land with only about 73 buildable acres is surrounded by resource land. It was excluded to retain Highway 99W as the logical boundary for a compact urban form in that area adjacent to Sherwood<sup>21</sup> consistent with the 2040 Growth Concept and to retain existing farm uses west of 99W. All of these exclusions of study areas which met the qualifying score of the reanalysis reduce the selections of the study model reanalysis by about 1104 acres, from 19,123 to 18,019.

One small area with a low score in the second URSA analysis was added due to a specific land need. URSA #56 contains about 38.2 acres adjacent to 67 acres of existing industrial zoned land inside the UGB in Forest Grove. This parcel is surrounded by floodplain and the record demonstrates a specific land need to accommodate additional jobs for Forest Grove to meet its employment requirements under the Urban Growth Management Functional Plan. (See VII, below.)

The result of these Council actions on urban reserves is the inclusion of approximately 18,057 acres in urban reserves.

#### 4. Comparison of Selected URSAs to Non URSA Exception Lands

The selection of about 18,057 acres from the 23,000 acres studied for relative suitability used the URSA study reanalysis as a guide. These suitable lands must be compared to other lands, especially exception lands not included. This comparison includes both a comparison to other URSAs already completed using the study model as explained in III, above, and comparison to lands not selected for Metro study as URSAs. This involves revisiting the reasons for not including some lands for study as URSAs and the reasons for not including some exception lands after they were studied.

##### A. URSA Exception Lands (Studied, but not included)

1. URSA #46 (Sherwood) as seen on the site map in the "Background Data" at page 76 contains 111.6 acres of exception land and 5.7 acres of resource land west of Highway 99W. It is surrounded by agricultural land. This area is partially tree covered with several filbert orchards and other farming activities. Under this circumstance, 73 buildable acres of exception land with a qualifying suitability was not included as an urban reserve area to retain

---

<sup>21</sup> See Metro staff memo of January 30, 1997 on transportation facilities at 99W and Mt. Hood Parkway which describes 99W as a four-lane, limited access highway with shoulders and a median strip for a right-of-way of about 120 feet.



Highway 99W as a logical service boundary and barrier to future urban development needed to assure a compact urban form consistent with the acknowledged 2040 Growth Concept. This allows existing farming and rural residential uses on the property to be retained as a buffer between land to be urbanized in the future and rural land. In addition, the poor agricultural compatibility result from allowing future urbanization across 99W into an area of resource land was heavily weighted for this URSA. As Highway 99W leaves the UGB in this vicinity it becomes a "green corridor" in the 2040 Growth Concept. Encouraging additional access to this access Oregon Highway from the west side of 99W in the vicinity of this "green corridor" is inconsistent with the Oregon Transportation Plan and the acknowledged 2040 Growth Concept.

2. URSA #20 (Holly Lane). This is a small area of about 160 acres adjacent to Abernathy and Newell Creek canyons, with steep slopes on several sides. Holly Lane development is built on top of an historic landslide hazard area. Five houses in Holly Lane broke apart this winter due to land movement under them (see KATU videotape). The area is developed with septic systems. Even though it is nearly all exception land, increased development by future urbanization is not appropriate in this proven hazard area despite the study model ratings.

3. URSA #60 (N. Cornelius). This study area is bisected by Susbauer Road running north and south and Council Creek running east and west. The URSA contains 280 acres, 140 acres each of exception lands and resource lands. Only about 139 acres are buildable due to significant environmental constraints. This study area was excluded removing 140 acres of resource lands in favor of #59 to retain a consistent UGB based on Council Creek and to meet the specific land need described in VII below.

4. URSA #1 (S. Gresham) as seen on the site map at page 31 of the "Background Data" contains about 500 acres of exception land east of U.S. 26 that was not included as an urban reserve area. US 26 is an Access Oregon Highway scheduled for improvement in the Mt. Hood Parkway project as a four-lane, limited access highway which becomes a "green corridor" under acknowledged RUGGO policy as it leaves the UGB. U.S. 26 is both a logical boundary and the barrier to future urban development as part of the Gresham community. Retaining this barrier as the logical boundary for the eventual UGB is consistent with acknowledged UGB amendment procedure and helps assure the 2040 Growth Concept policy of compact urban form.

Also, development west of U.S. 26 would violate the acknowledged RUGGO policy of maintaining separation between the Metro UGB and the Sandy UGB. The record demonstrates from City of Gresham testimony relied upon by the Metro Council that the provision of urban services across U.S. 26 would not be orderly or efficient.

The service difficulties for all of URSA #1 and the large East Damascus exception lands are demonstrated in the 1995 KCM Utility Feasibility Analysis. URSA #1 was the only above average cost area included in 1996 URSA's to be studied for inclusion in urban reserves. A large area of hilly exception lands to the south of URSA #1 which was included in the URSA's for the September 1995 KCM study was eliminated from further consideration based on the KCM relative cost information and the unresolved governance issues for servicing these lands.

First, the 1995 KCM study summarized its composite service data, identifying "above average cost" areas on Figure 3. All of URSA #1 (1E) and about half of the East Damascus to Gresham area (1D, 1E, parts of 1B, 1C) was in that composite ranking for water, sewer and storm drainage. The 1995 KCM study, at page 6, noted the significant variations in terrain and complex governance issues for service providers. The KCM study expressly did not consider either institutional or governance issues for any of the areas it studied. The above average utility service cost, the hilly terrain (water service about 800' elevation adds expense), and the distance from urban services provided by an incorporated city (Happy Valley is serviced by rural service districts) caused most of the East Damascus exception land that could not be served by Portland or Gresham with gravity sewer and storm drainage to be removed from further study as unsuitable. URSA #9 was retained as part of the area to be served by the Damascus Town Center in the 2040 Growth Concept (part of acknowledged RUGGO). This is consistent with the Village Concept and the Damascus Village alternatives in Calthorpe's 1994 Regional Design Images. The center of the Damascus Town Center is the Foster Road-Highway 213 intersection in URSA #8. The area in URSA #9, a composite "average cost" to serve in the 1995 KCM study, was retained for study and included in urban reserves as part of the Damascus Town Center.

However, URSAs #1 and 2 were left in 1996 URSAs at the watershed boundary for gravity sewer service to Portland as described in the study at page 11. Also, this area is the least costly of all areas studied for storm drainage as described on page 17. The physical proximity of this area to Portland and Gresham further reduces the governance issues for providing the three urban services studied by KCM, as well as police, fire, parks, transportation and schools.

Wilsonville contained the only other study areas identified by the 1995 KCM study as "above average cost" for composite utility service cost. However, the study, at page 2, noted that Wilsonville sites on Figure 3 have economies of scale for sewer and water service if these areas are all added to urban reserves. The KCM ratings do not reflect these interactions among sites. Each rating is site specific. Therefore, Wilsonville URSAs were retained for study despite the composite KCM rating based on the limitations of that rating and the city's stated desire and ability to provide governance for provision of urban services.

#### B. Exception Lands Not Studied

Continuing around the region on the Exception Lands Map, the following exception lands were not extensively studied and considered unsuitable for the following reasons:

- East of Gresham: The Slopes map shows that this area is predominantly slopes greater than 25% adjacent to a steep sloped creek canyon. Such lands were deemed unbuildable in the 2040 Growth Concept. (See Unbuildable Lands Map.)
- North of URSAs #15, 16: The Slopes map shows that this area is predominantly slopes greater than 25% adjacent to a steep sloped creek canyon. Such lands were deemed unbuildable in the acknowledged 2040 Growth Concept. (See Unbuildable Lands Map.)
- East of URSA #10: The Slopes map shows that this area is predominantly slopes greater than 25% adjacent to a steep sloped creek canyon. Such lands were deemed unbuildable in the acknowledged 2040 Growth Concept. (See Unbuildable Lands Map.)

- East of URSA #12: The Slopes map demonstrates the same slopes east of URSA #12 that caused that study area to receive a zero efficiency rating that led to eliminating that study area from inclusion in urban reserves.
- South, East and West of URSA #13: The Clackamas River was selected as the logical boundary in this area because the lands south of the river are floodplain as are the exception lands to the east and west of URSA #13. (See Floodplains Map.)
- Surrounding URSA #17, 18, 19, 22, 24: The slopes, as indicated on the Slopes map and Oregon City's testimony in the record demonstrate the service limitations of these exception lands. Based on discussions with Oregon City staff about their testimony in the record and the following supplementary analysis by the City Engineer, approximately 7 acres of resource land was removed and a net 338 acres of exception land added to the boundaries of URSA #17, 18, 19, 22, 24, 25 and 26:

"The city's Water Master Plan calls for new water reservoirs in the Park Place area and south east of the city. As with sanitary pump stations, these reservoirs do not provide additional capacity. Capacity is provided only at the water intake and filtration plant. The reservoirs provide the water pressure experienced at an individual water tap, and provide storage for fire fighting purposes.

URSA #17: This site is in the Park Place area, generally between Forsythe Road and the existing Oregon City city limits. This area generally slopes gently to the north and west. The amended URSA boundary was obtained by following the existing property lines around the URSA boundary.

The proposed Park Place Water System improvements to be built in the Stoltz Road area will be able to supply pressures and volume into this area. Sanitary sewer can be easily extended into this area. There are no extensive new road connections required; however, there will be improvements required to Forsythe above Front Avenue. Front Avenue and Forsythe are already classed as Collector Streets by the Transportation Master Plan.

This area naturally drains into the Clackamas River. The Clackamas River is one of the three "pristine rivers" contained in the DEQ Three Basin Rule (the other two are the McKenzie and the Santiam). This area will have to have storm drainage water treatment applied prior to discharge.

While there may be additional area in the immediate vicinity of URSA #17 that appears to be suitable, additional area beyond amended URSA #17 will necessitate additional storm outfalls. Each outfall will have to be individually treated to maintain the purity of the Clackamas River.

URSA #18: This site is in the Park Place area, generally at the top of the hill east of the current city limits. The amended boundary reflects the extension limits of gravity sanitary sewer. This area generally slopes gently in all directions. The URSA boundary follows existing property lines.

The proposed Park Place water system improvements to be built in the Stoltz Road area will be able to supply pressures and volume into this area. Sanitary sewer can be easily extended into this area. There are no extensive new road connections required; however, there will be improvements required to Holcomb Boulevard. Holcomb is classified as a Minor Arterial in the City Transportation Master Plan. The majority of the storm drainage will probably be into the Livesey Basin. The rest will be into another side creek of Abernethy Creek east of Livesey.

URSA #19: This site is in the Overlook area, south of Livesey Road. This area slopes down toward Redland Road. The amended boundary follows the existing property lines around the original URSA.

Oregon City is currently providing water service in this area through the old Park Place water district lines. These lines will have to be upgraded regardless of the Urban Reserve demand. Sanitary sewer service can be provided from the Tri-Cities County Village interceptor line currently in Redland Road by crossing Abernethy Creek at the Holly Lane bridge. Storm drainage will be to Abernethy Creek. There will be a need to develop an additional vehicular access to Livesey Lane; however, this is currently needed to provide adequate service to the existing area.

URSA #22: This site stretches from Thayer Road across Maple Lane east of the existing Urban Growth Boundary. This area generally slopes to the east and north into the Abernethy Creek drainage. The amended URSA boundary follows the existing property lines around the original URSA except a small area north of Thayer Lane. In this area there is an existing suburban type subdivision that was created under Clackamas County rules. This area is on septic tanks and utilizes urban services (water is supplied by a water district and access is through Urban Reserve study areas). The amended URSA boundary includes the urban level of development in that subdivision.

Water service is currently provided by Clackamas River Water District and could be provided by Oregon City with connecting lines to the existing system. Sanitary sewer can be provided from the Tri-City line into Country Village, and from the Highway 213 Tri-City interceptor. There will probably be a requirement for a common pump station south of Thayer Road serving both #22 and #24. This area will need a major road connecting Maple Lane to Thayer, perhaps by extending Holly Lane. Storm drainage is into Abernethy basin.

URSA #23: This site is north of Loder Road just east of Oregon City limits. This area generally slopes to the east and north. The amended URSA boundary follows the existing property lines around the original #22 and #24 boundaries.

Water service is currently provided by Clackamas River Water District and could be provided by Oregon City with connecting lines to the existing system. Sanitary sewer can be brought in from the existing trunk line installed in Beaver Creek Road to

Clackamas Community College. Loder Road will require upgrading from Local Street status to Collector. Storm drainage will be into the Abernethy drainage.

URSA #24: This site straddles Loder Road east of the Oregon City limits. This area generally slopes north. The amended boundary follows the existing property lines around the original URSA boundary except an area at the east end of Loder Road. In this area there is an existing suburban type subdivision that was created under Clackamas County rules. This area is on septic tanks and utilizes urban services (water is supplied by a water district and access is through Urban Reserve study areas). The amended URSA boundary includes the urban level of development in that subdivision.

Water service is currently provided by Clackamas River Water District and could be provided by Oregon City with connecting lines to the existing system. Sanitary sewer will require a pump station at the north edge of the area near Thayer Road, in common with URSA #22. A north-south collector road will be required the full length of the area connecting Loder Road to Beaver Creek Road near Glen Oak Road. There is a state-recognized private airport currently operating on the large north-south oriented parcel south of Loder Road. Storm drainage will be to the Abernethy basin.

URSA #25 is the area south of the existing Urban Growth Boundary, across Henrici Road to Beaver Creek and Wilson Road. The amended URSA boundary follows the existing property lines around the original URSA boundary except an area at the east end on Henrici Road. This area contains many small acreage lots with single family residences.

Water service is currently provided by Clackamas River Water District and could be provided by Oregon City with connecting lines to the existing system. Additional water reservoir capacity will be required to serve this area. A small reservoir is currently being shown as necessary to provide service to a small area near Henrici Road currently within the city. This reservoir could be combined with the one necessary to serve the Urban Reserve. Both Beaver Creek Road and Highway 213 will need to be improved to provide service. Additional north-south and east-west collectors will be required. Henrici Road will need to be improved to Collector or Minor Arterial status. Storm drainage will be split between the Abernethy basin and the Beaver Creek basin.

URSA #26: This site is the Leland Road and Beaver Creek area extending from west of Highway 213 east to a point about halfway between Ferguson Road and Beaver Creek Road, and south of Williams Road. The amended URSA boundary follows the existing property lines around the original URSA boundary except an area at the east end of Leland Road and at the extreme south end.

In the Leland Road area west of Highway 213, there are existing suburban type subdivisions that were created under Clackamas County rules. This area is on septic tanks and utilizes urban services (water is supplied by a water district and access is

through Urban Reserve study areas). The amended URSA boundary includes the urban level of development in that subdivision.

Water service is currently provided by Clackamas River Water District and could be provided by Oregon City with connecting lines to the existing system. Additional water reservoir capacity will be required to serve this area. Both Beaver Creek Road and Highway 213 will need to be improved to provide service. Additional north-south and east-west collectors will be required. Ferguson Road will be upgraded. Storm drainage will be to Beaver Creek.

URSA #29 is at the southwest edge of the Urban Growth Boundary straddling South End Road. The amended URSA boundary follows the existing property lines around the original URSA boundary."

- West of URSA #30: This is a steep slope region as indicated on the Slopes map, with some slopes greater than 25% and much of the terrain 18-24% slopes. The boundary of URSA #30 was based on the watershed boundary that would allow gravity sewer to be provided through the City of West Linn.
- South of I-205: The Slopes map shows greater than 25% slopes which are considered unbuildable for urban development just beyond I-205. Therefore, I-205 was selected as the logical boundary south of URSA #34. Clear boundaries enhance a compact urban form consistent with the 2040 Growth Concept.
- Between URSAs #42, 43, 44: Metro's acknowledged RUGGOs in Objective 22. applies the separation of communities concept to urban reserves. Designation of urban reserves on exception land between the 2040 Growth Concept Town Center of Tualatin and Wilsonville would encourage urban development to cause these communities to grow together when the land is needed for UGB expansion. This would violate Metro's own adopted and acknowledged regional goals and objectives which are binding on Metro per ORS 268.380.
- South of URSA #45: Resource land in URSA #45 was removed from that urban reserve area because it was contiguous to a large area of farmland. The exception lands surrounding that farmland to the south contain steep slopes as shown on the Slopes map. The westernmost area near the creek contains floodplains. (See Floodplains map.)
- North of URSA #46: As indicated above, URSA #46 was studied, but not included in urban reserves because it is surrounded by farmland outside the southwestern boundary of the region established by Highway 99. The exception lands north of URSA #46 and adjacent to Highway 99 are similarly surrounded by resource lands. These exception lands contain some slopes greater than 25% and 18-24% on the Slopes map.
- Between URSAs #47 and 48: The record indicates that these lands are (1) predominantly in the flood plain and flood prone soil and (2) limited access to water service. (See Flood plains map).
- West of URSA #49, South of URSA #50, and South of URSA #51: The boundaries of URSAs #49, 50 and 51 were based on the watershed boundary as shown on the Watershed map. That is the boundary for gravity sewer service for these exception lands. To efficiently serve the next watershed, the entire watershed, which is resource land, would be served. So, the exception lands west of URSA #49, south of URSA #50, and south of URSA #51 surrounded by resource lands were not extensively studied for inclusion in urban reserves.

- East of URSA #60: The exception lands between Hillsboro and Cornelius were not included in study areas because of Metro's separation of communities policy (see URSA #42-44, above), and because about half of the exception lands are floodplains as shown on the Floodplains map.
- North and West of URSA #61 were not studied because it contains predominantly flood prone soils and floodplains.(see Flood Plains map).
- North of URSA #65: This small area of exception lands are surrounded by resource lands and Brugger Road was selected as the logical boundary to enhance a compact urban form consistent with the 2040 Growth Concept.
- East of URSA #66: This small area of exception land is surrounded by resource lands, steep slopes and accessibility to sewer trunk lines.

#### IV. First Priority Lands - OAR 660-21-030(3)

The Urban Reserves Area Rule requires that exception lands and any resource lands "completely surrounded" by exception areas which are not "prime and unique agricultural lands" be the first lands included in urban reserve areas:

"First priority may include resource land that is completely surrounded by exception areas unless these are...prime or unique agricultural lands as defined by USDA."

Based on the functional plan capacity estimate for the current UGB of 243,611 households, the Executive Officer recommended designation of 13,893 acres as urban reserves, all first priority lands. Of that, about 787 were resource lands deemed to be "completely surrounded" by exception lands consistent with this subsection of the Rule.<sup>22</sup> However, USDA data received subsequent to the Executive Officer recommendation indicated that about 715 acres of these surrounded resource lands are predominantly prime and unique agricultural lands. Seventy-two acres of the 787 acres of resource lands in URSA #33 are not predominantly prime and unique, and are first priority urban reserves in an area "surrounded" by exception land.<sup>23</sup>

To take into account increased growth from the 1994 estimates and other factors affecting long-term land need,<sup>24</sup> the Metro Council used 18,300 acres as the rough estimate of land need to 2040. That land need required designation of more urban reserve areas to meet the need for land to 2040 than recommended by the Executive Officer.

There are several of these additional areas that are completely enclosed by exception areas. Most of these surrounded areas were lands excluded from first priority. The "completely surrounded" standard was interpreted to mean that resource lands were enclosed by exception lands or urban land (inside the UGB). The following list addresses all 806 acres of resource land areas in "first priority urban reserves:"

URSA #31 has 615 acres of resource land that is an area surrounded by exception land. (See Lake Oswego Quadrangle map). This area is not predominantly "prime and unique" soils. Therefore, this land is within First Priority urban reserves. Alternatively, this lower quality

<sup>22</sup> See summary at p. 5 of Executive Officer Recommendations, September 3, 1996.

<sup>23</sup> See Urban Reserve Study Areas, Prime and Unique Farm Land map.

<sup>24</sup> See III, below, explaining the preliminary Urban Growth Report estimate of UGB capacity in detail.

resource land would be included in urban reserves as "secondary" land as lower priority lands that are included before other resource lands.

URSA #32 has 76 acres of resource lands surrounded on three sides by the UGB in an area completely surrounded by exception lands. (See Lake Oswego Quadrangle map). These resource lands are not prime and unique soils. Therefore, these lands are within First Priority urban reserves. Alternatively, this lower quality resource land would be included in urban reserves as "secondary" land as lower priority lands that are included before other resource lands.

URSA #33 has 72 acres of resource lands in an area surrounded by exception lands. (See Lake Oswego Quadrangle map). Therefore, these lands are within First Priority urban reserves. Alternatively, this lower quality resource land would be included in urban reserves as "secondary" land as lower priority lands that are included before other resource lands.

URSA #69 and 70 with about 42.5 acres of resource lands are in an area surrounded by the UGB and exception lands. (See Linnton Quadrangle map). These lands are not "prime and unique" soils. Therefore, these resource lands are within First Priority urban reserves. Alternatively, this lower quality resource land would be included in urban reserves as "secondary" land as lower priority lands that are included before other resource lands.

#### V. Lower Priority Lands

If all first priority lands are needed and included, the Urban Reserve Areas Rule provides for inclusion of lower priority lands and use of limited exceptions to the priorities for "maximum efficiency and "specific land need." Much of the resource land in the first priority above and in the "maximum efficiency" exception below are non-prime resource lands within the "secondary" lands for these lower priority lands.

#### VI. Exception to Priority Lands: Maximum Efficiency on First Priority Lands

Resource land parcels surrounded or nearly surrounded by exception land may be needed for urban reserves, even if they contain predominantly prime and unique soils. Much of the 787 acres of resource lands identified and recommended by the Executive Offices as "surrounded" has these characteristics. In addition, acres parcel east of the Damascus property in URSA #41 is needed for the extension of two existing roads and sewer connections to efficiently serve lands in the existing UGB and first priority urban reserved exception lands.<sup>25</sup> The following are the 876 acres of resource lands needed for maximum efficiency in providing urban services to first priority lands and the current UGB.

URSA #1 had 163 acres of resource land in two parcels. All of that resource land is in an area of resource land which is surrounded by UGB and exception land (see Dammasch Quadrangle Map). the northernmost parcel will service from the north (Gresham). Therefore, urban for the exception land in URSA #1 must connect through this parcel. The other parcel is necessary for a grid of road connections consistent with the 2040 Growth Concept and Title 6 of the UGM Functional Plan.

---

<sup>25</sup> Wilsonville staff memorandum of January 29, 1997.



URSA #2 has 121 acres of resource land adjacent to the UGB that is in an area surrounded by the UGB and exception lands. (See Dammasch Quadrangle map). Extension of the urban services from the UGB and from URSA #1, particularly road connections, will cross this surrounded exception land to reach the southern portion of the exception land in URSA #2

URSA #6 has 222 acres of resource land in the middle of the study area. This land is in an area surrounded by exception land. (See Dammasch Quadrangle map). Services for the exceptions north of the south resource land, particularly the road network must cross this surrounded resource land.

URSA #44 has 114 acres of land shown in resource zoning that is being used as the Tigard Sand and Gravel rock quarry. (See Sherwood Quadrangle map). If this has an resource soils remaining, this is not prime or unique resource land. Efficiency in providing urban services to the exception land, particularly a grid system of roads consistent with the 2040 Growth Concept, will require crossing most of this quarry site at the same time in the future. Alternatively, this lower quality resource land would be included in urban reserves as "secondary" land as lower priority lands that are included before other resource lands.

URSA #11 has about 49 acres of resource land in an area surrounded by exception land. (See Dammasch Quadrangle map). Urban services from either Dammasch Town Center or Happy Valley, particularly a road system, must cross these resource lands to reach either exception lands in URSA #6 or exception lands in URSA #11.

URSA #51 has 6.2 acres of resource land surrounded on three sides by exception lands (See Scholls Quadrangle map). Efficiency in providing urban services to the surrounding exception lands, particularly roads, will require crossing these resource lands.

URSA #65 has about 201 acres of resource land. All but about 45 acres are surrounded on three sides by UGB and exception lands. This area is not predominantly "prime and unique" soils. Efficient provision of urban services to the exception land and undeveloped portions of the UGB will require crossing these resource lands south of Brugger Road. Alternatively, this lower quality resource land would be included in urban reserves as "secondary" land as lower priority lands that are included before other resource lands.

## VII. Specific Land Needs Exceptions to Priority Lands

The following represent "specific types of identified land needs (which) . . . cannot be reasonably accommodated on higher priority lands" under OAR 660-21-030(4):

### 1. Shute Road (portion of URSA #62) - A Large Lot Campus Industrial Site

The findings below provide an in-depth analysis as to why evidence in the record demonstrates that the Shute Road property satisfies the applicable legal criteria. Section 2 below provides a similar analysis of URSA #54 and 55, including the St. Mary's property.

URSA #62 contains about 200 acres of resource lands which were included as urban reserves because of a specific land need for a 200-acre, campus industrial urban reserve site near the Hillsboro Airport utilizing existing industrial level urban services.

"The Hillsboro Area has one of the largest inventories of developable industrial land within the Portland Metropolitan Area. A 1990 compilation prepared by Metro, indicates that the incorporated areas of the City of Hillsboro contain 23.2 percent of the available industrial land in the metropolitan region . . . By comparison, the Hillsboro Planning Area comprises only 3.4 percent of the population of the Metropolitan Area and 10.1 percent of the buildable land area within the Urban Growth Boundary. The objective of this concentration was to allow Hillsboro to serve not only its own needs but also to serve the anticipated longer-term needs of the entire metropolitan region for large lot industrial sites.<sup>26</sup>"

The City of Hillsboro has had unique success in utilizing and servicing its industrial land inventory to attract campus industrial development on large sites. In recent times, much of the western Metro's employment has been attracted to serviced, campus industrial sites.

The findings in support of the St. Mary's and Shute Road properties are based, to a large extent, on site-specific evidence and on evidence and analysis pertaining to the area within the Hillsboro Regional Center. This evidence (the "Hillsboro evidence") is, for the most part, contained in a series of reports and other documents that had been submitted together as Exhibit H-1. Much of the information contained in Exhibit H-1 is a compilation, refinement and updating of information that is contained elsewhere in the Metro urban reserve record. Thus, the findings in support of the St. Mary's and Shute Road properties and evidence upon which the findings are based, are a refinement of the more generalized evidence, particularly the URSA study model, that the Council has relied on to support its urban reserve designations for the entire Metro area. While the findings and evidence relied on to support the two priority Hillsboro sites are more site-specific, they are intended to be consistent with the remainder of the general findings and evidence adopted by the Council.

The trend toward major companies acquiring large campus industrial sites was noted in Hillsboro's 1992 Periodic Review study:

"However, an increasing number of major companies are acquiring large "campus" sites in which they hope to grow their operations over a longer period of time. Numerous examples of this phenomenon are found within the Portland Metropolitan Area, including the original Tektronix campus, the NEC, Fujitsu, and Toshiba campuses in the Hillsboro Area, the Sharp campus in Vancouver, and others . . . several major companies have acquired 'campus' sites, on which their initial operations were less than a fourth of the site . . . For example, Intel, NEC and Fujitsu.<sup>27</sup>"

---

<sup>26</sup> Goal 9 Economic Opportunities Analysis, Technical Memorandum #7, August 1992, Leland Consulting Group, at page 53.

<sup>27</sup> Ibid. at page 69, 70.

As discussed in more detail in response to Goal 14 factors 3-7, the location and site characteristics of the Shute Road make it well-suited for an industrial development. The property is located in the heart of Hillsboro's successful Industrial Lands Sanctuary and can provide a needed campus industrial site to ensure the continued growth and viability of the region's main employment center. The evidence demonstrates that there is not enough industrial land within the urban growth boundary, nor enough potential sites in exception areas outside of the boundary, to accommodate the Hillsboro region's long-term needs. The need for more industrial land in the Hillsboro region is the "specific land need" that justifies designating the Shute Road property as an urban reserve, in accord with OAR 660-21-030(4)(a).

There are three closely related reasons, each one of which, the evidence demonstrates, supports the inclusion of Shute Road as an urban reserve site pursuant to the urban reserve rule's specific need provision. First, the region has a unique, localized need for large-acreage industrial sites near Hillsboro because of the many high tech industries and support businesses that have located there. This need is particularly well-served by the Shute Road property because it can provide for a campus industrial site or sites in the general vicinity of the City's Industrial Land Sanctuary near the Hillsboro Airport.

Hillsboro's industrial land needs cannot be served by sites in other parts of the Metro region. The precedent for recognizing Hillsboro's special industrial land needs was established by Metro in 1986, when the Council approved two expansions of the growth boundary, totaling 541 acres, next to Hillsboro's Industrial Land Sanctuary. The Metro Council found that a localized demand for large-lot industrial sites existed in the Hillsboro area. The Council concluded that there "is a localized need for additional industrial land...[because high tech is a unique industry having unique locational criteria."<sup>28</sup>

The Council approved the UGB amendments for two large parcels in the 1986 solely for large-lot industrial uses, rather than for general urban land needs, and the land was ultimately annexed into the city; a Special Industrial District ("SID") zoning overlay was placed on the properties to ensure that they were developed with 30-acre minimum lot sizes. The 1986 expansion of the boundary was intended to enhance and more firmly establish Hillsboro's Industrial Lands Sanctuary -- and approximately 1,550 acre area centered along the Sunset Highway, Shute Road, and Evergreen Parkway. As the evidence demonstrates, the land use and planning policies and decisions of the Metro Council and the City of Hillsboro have created the so-called Silicon Forest, one of the most successful high tech-oriented industrial sanctuaries in the country.

The evidence shows that there is roughly a 15-year supply of industrial sites in the Hillsboro region that are suitable for high technology facilities and other industrial uses. The region's industrial land need is best addressed by providing for a large acreage site or sites that can accommodate the kind of campus development favored by large, high technology manufacturers. The Seaport property is the only such large acreage site in the Hillsboro region that is not already owned by and committed to the future expansion needs of existing industrial users. As discussed below as part of the URSA #54, 55 findings, the Seaport site, currently zoned for industrial uses, is most appropriately utilized for housing, both because of its location

---

<sup>28</sup> See Hobson study, \_\_\_\_\_, 1997.

and site characteristics, and also because of the more pressing problem created by the growing imbalance between jobs and housing in the Hillsboro region.

The Shute Road property is ideally located for industrial use; it cannot accommodate housing because of its proximity to the Hillsboro Airport. The property sits in the northwest corner of the Shute/Evergreen intersection; as the Industrial Sanctuary Map shows, the other three quadrants of that intersection contain a large number of high technology and other manufacturing facilities; that intersection is the center of the Industrial Lands Sanctuary. Allowing the fourth quadrant to eventually be urbanized, rather than to remain rural for the next 43 years and beyond, will create a number of land use efficiencies, particularly for transportation purposes in the area.

Hillsboro has already invested in improvements to Shute Road and Evergreen Road to better serve the Industrial Lands Sanctuary. Both roads are arterials which have recently been widened to four lanes in each direction. Furthermore, Hillsboro's evidence shows that a loop road passing through the Shute Road property connecting Evergreen Road and an extension of 229th Avenue will significantly ease traffic conditions at the Shute/Evergreen intersection.

Public facilities are also readily available. City engineering maps in the record and the Hillsboro letter of January 31, 1997 demonstrate that the Shute Road property is served or planned to be served by water and energy especially designed to serve the Industrial Lands Sanctuary. A letter from the Unified Sewerage Agency ("USA") shows that the sewer system has adequate capacity to provide the Shute Road property with both domestic and industrial sewer service.<sup>29</sup> In addition, a January 15, 1997, letter from Portland General Electric indicates that its Sunset Substation is specifically designed to accommodate high-tech loads and has ample capacity to serve this site.<sup>30</sup>

In 1986, the Metro Council approved the only major expansion of the Urban Growth Boundary in order to provide for a variety of large-sized industrial parcels in the Hillsboro area in the expectation of developing a major employment center there focused on high tech industries. That economic development strategy has worked. The availability of parcels between 100 and 200 acres in size has allowed primary industrial users like Intel and NEC to locate major facilities, which in turn have attracted numerous support industries. That same demand for available large-acreage industrial sites is a specific land need supporting the inclusion of the Shute Road property in the urban reserves.

There are three campus industrial sites with large silicon chip fabrication plants in the industrial area near the Hillsboro Airport. All of these plants occupy 100-200 acres of land. Intel Ronler Acres has a master planned site of about 267 acres with 128 acres developed and a second phase of development under construction. NEC America owns approximately 184 acres; approximately half the site is developed, and there is an approved master plan for the rest of the site to accommodate future NEC expansion. Intel Jones Farm has about 116 acres with 60 acres developed and 56 acres committed to development in an approved master plan. These large plants are anchors for the integrated semiconductor industry in the area.

---

<sup>29</sup> See USA letter of January, 1997.

<sup>30</sup> Livingston to Brooks letter of January 15, 1997.

Chip component manufacturers produce component parts that are sold to these fabricators for their use at the Hillsboro plants. Komotsu Silcon, Tokyo Electron, Toshiba Ceramics and Ohka currently occupy smaller campus sites ranging in size from 39 to 94 acres; they each have mater plans approved for their future expansions.

Industrial suppliers to both small and large chip fabricators and chip component manufacturers have become major land users and employers in the Hillsboro Airport industrial area. Radysis, Boc Gases, Ashland Chemical, Tokai Carbon, Asohi Glass, Shinei, Compact Controls, Air Tech, KOEI and Dynic surround the larger facilities and the airport. They occupy sites ranging in size from 5 to 50 acres. In most instances, there are approved master plans for the future expansion of these sites as well.<sup>31</sup>

Other major employers are being attracted to the industrial sanctuary area. Nike has recently issued bids to construct a manufacturing plant on 74 acres; the facility is likely to employ over 1700 employees.<sup>32</sup>

The evidence demonstrates that large lots are still needed in the region. The recent "2040 Means Business" study states: "Many recent land purchases in the area involve long term land banking with users acquiring campus sites on which they hope to expand over a long period of time. As a result, larger parcels of 50 acres or more, inside the UGB are being rapidly absorbed." The "2030 Means Business" found an ongoing demand for large industrial sties. "It is highly probable that industrial users will continue to buy land in excess of their current needs for future expansion. If additional land of sufficient size and quantity is not available for these user/owners to purchase, the Portland Region will not be competitive against other regions where sufficient land and selection is available." This expert testimony establishes that there will be an ongoing demand for large industrial sties in the region. The "2040 Means Business" report also demonstrates that the supply of such sites must be replenished before the inventory approaches full build-out.

"Because of the relatively short supply of industrial land, the land market will become dysfunctional before 10 years, due to the lack of selection of properly sized parcels in appropriate locations. As a practical matter, the land supply cannot be diminished to zero, or near zero, before adding more land. An adequate inventory of vacant land is needed at all times in order for the market to function properly."

Finally, as discussed below, the report establishes that the demand for the large-acreage campus sites is localized to the Hillsboro region.

The analysis of and conclusions regarding the industrial land supply in the Hillsboro region, and the description of how the marketplace is likely to respond to it in the coming years, as contained in both the 2040 Means Business Report and the other expert testimony submitted by Hillsboro, provide a reasonable basis for the assumptions that support the need for adding the Shute Road property to the urban reserves. While the Hillsboro region's need for more industrial

---

<sup>31</sup> See aerial photograph of Hillsboro Airport industrial area.

<sup>32</sup> See City of Hillsboro, Absorption Analysis: Hillsboro Industrial Lands Sanctuary, February 3, 1997.

lands is not as immediate as the area's need for more residential sites, nonetheless, it is a need that may well require additional urban reserves before the end of the 43-year planning horizon. Metro acknowledges the contrary testimony in the record suggesting that there is no longer a need to maintain a supply of uncommitted large-acreage industrial sites in the Hillsboro region. Hillsboro's expert testimony is the more persuasive evidence on the point, and that evidence suggests that even more industrial acreage should be added to the urban reserves in the Hillsboro region. In an attempt to balance Hillsboro's expert evidence with the contrary testimony from the state agencies and others, Metro concludes that adding the Shute Road property whether or not the Seaport property is rezoned for residential use (see below) satisfies the urban reserve rule, as it is the minimal step necessary to ensure that the Hillsboro region will have an adequate supply of large-acre industrial sites capable of supporting a primary high technology or related user.

As Metro concluded in 1986, because Hillsboro's employment center is dominated by large high technology manufacturers and support industries, its industrial land needs are unique and localized. In other words, the probability is high that a large high tech manufacturer that cannot find a suitable site in the Hillsboro area will end up locating in a high tech center in another state, rather than locating somewhere else in the Metro region. That was a key premise upon which the 1986 UGB expansions were based, and it remains a valid statement of the local and national marketplace trends for that industry today.

Hillsboro's Industrial Land Sanctuary, located in the northern part of the city around the Sunset Highway, Shute Road and Evergreen Parkway, is the center of the area of demand. Hillsboro's updated evidence shows that the total of 1,548 acres in the sanctuary, 613 of these acres already contain industrial structures, and permits have been issued for the construction on another 48 acres. The city estimates that approximately 668 acres adjacent to these structures are committed to future development. Although these lands can be considered committed and unavailable to new users, these lands were included in the overall calculation of vacant buildable industrial land contained in the Industrial Market Evaluation. Even with these so-called committed lands included in the vacant land inventory, there is still likely to be a deficit of industrial land by 2015; that is certainly the case if the Seaport site is not available for campus-type industrial users. Nevertheless, from a market perspective, these committed lands are not available to new owners/users because the current owners/users intend to hold onto them for immediate and long term expansion. The committed or unavailable status of these sites is evident because they are either partially improved with streets and utilities, are being prepared for the installation of streets and utilities, or have approved master plans showing future use or expansion into sites. The letter and aerial photograph submitted by Hillsboro shows a substantial amount of development activity in the Industrial Land Sanctuary. Furthermore, the "2040 Means Business" report states that from a market perspective these master planned areas will be viewed by other high tech companies as unavailable because they are owned by other industrial users.

"Basically, they (large industrial users) purchase at least twice as much land as they initially need, on average. Without this land banking/expansion capability, owners/users will be hesitant to locate in this region for several reasons. First, they perceive they will actually use the land for future expansion and do not want to be faced with the inefficiencies of multiple locations in the future. Second, they often desire a campus environment with major landscaping and open space.

Third, they can acquire the amount of land they want in other metropolitan areas and therefore, will either not come to Portland or may relocate in another competitive region."

Thus, from both a planning and market perspective, the need for large lot industrial parcels as part of the mix of industrial lands continues to be a specific land need in the Hillsboro region. Of the 1,548 acres in the Industrial Land Sanctuary, the city estimates that 215 acres remain vacant and uncommitted. These 215 acres cannot be considered sufficient to satisfy the specific land need in the Hillsboro region because they are divided into seven separate ownerships, all of which are less than 54 acres and cannot be practicably consolidated into a large lot industrial site. Based on the city's past experience in the Industrial Lands Sanctuary, these smaller parcels will not attract the new large high tech companies like Intel and NEC which have historically sought parcels larger than 100 acres for their primary operations.

Although Hillsboro has recently requested that the state recognize the city's need for smaller (less than 30 acres) industrial parcels, it has not abandoned its strategy of attracting large industrial users to its Industrial Lands Sanctuary. The city's Special Industrial District ("SID") applies a 30 acre minimum lot size in most of the sanctuary. The SID was intended to implement the policy of providing large industrial lots in the Sunset Corridor, which was the basis of the Riviera Motors and Kaiser Development UGB amendments in 1986. Recently, the city has asked the state to support removal of the SID for those specific areas in the Industrial Land Sanctuary which are already developed and platted for lots of less than 30 acres. As the city correctly points out, there is a separate market demand for these smaller lots which is distinct from the demand for large campus style industrial property. Hillsboro has stated on the record its willingness to impose the SID on the Shute Road property in order to preserve it for future large-lot high tech industrial users. This policy is consistent with the city's past strategy and does not reflect a change in the demand for large lot industrial property.

Hillsboro's industrial strategy has been to attract clean, high technology industry to the Sunset Corridor. The fundamental premise of this strategy is that high tech companies have the tendency to cluster where other high tech companies are already located and where industrial land is available for future expansion. Metro accepted this theory in 1986 when it approved the UGB expansion applications for Riviera Motors and Kaiser Development.<sup>33</sup> The hearings officer found in those proceedings that:

"...the history of the Sunset Corridor supports and exemplifies the clustering tendency of high-tech firms... The undisputed evidence establishes that there exists a strong tendency of high tech firms to cluster and to generate their own 'agglomeration economics.' The hearings officer further finds that the determination of need for land to develop high tech and emerging industrial uses is appropriately focused on the Sunset Corridor."

These agglomeration economies, the Council found, require a critical mass of high tech firms to continue to attract other high tech industry. Agglomeration occurs when larger companies attract a network of support businesses such as "vendor firms, skilled developers,

---

<sup>33</sup> These two amendments added approximately 540 acres to the UGB in a large block intersected by Highway 26.

attorneys, accountants, bakers and sources of venture capital, advertising and public relations firms specializing in the needs of high tech companies." The Council found that to continue to attract high tech companies, the Sunset Corridor must have "sufficient number(s) of sites with a variety of attributes to allow businesses to locate in the Metro area an [sic] adequate choice among available sites of varying sizes, location and characteristics." Metro also concluded that large lot industrial sites were preferable because the high tech companies "must be positioned to accommodate immediate and rapid plant and facilities expansion to prove for massive product production." All of these factors, the Council concluded, were essential to ensuring the growth of high technology companies in the region. That same rationale holds true today, and supports the inclusion of the Shute Road property within the urban reserves.

The evidence demonstrates that there is a specific need for large-lot acreage sites, and that this need can only be met within the Hillsboro region because of the agglomeration effect created by the large number of high tech manufacturers and related users that are currently within the area and have plans to expand their operations within the area. As discussed in more detail below, there are no alternative sites in the exceptions within the areas around the Hillsboro region that can accommodate this specific industrial need. While the Seaport property is large enough to provide for one or two campus-style industrial sites, on balance, considering all of the regions land needs and other factors, it maybe most appropriate to designate the Shute Road property as an urban reserve site for future industrial uses on the assumption that the Seaport property is better used for residential purposes.

The second alternative basis demonstrating the specific land need for the Shute Road site is that if adequate industrial land is not included within the urban reserves in the Hillsboro regional area, then the city will be in violation of Statewide Planning Goal 9 because it will not be able to maintain an adequate inventory of industrial sites.

Statewide Planning Goal 9 requires local governments such as Hillsboro to review and modify their comprehensive plans and land use regulations in order to "contribute to a stable and healthy economy in all regions of the state." To be in compliance with Goal 9 the city must insure that its industrial land supply "provides for at least an adequate supply of sites of suitable sizes, types, locations, and service levels." The planning guidelines for Goal 9 state, "[a] principal determinant in planning for major industrial and commercial developments should be the comparative advantage of the region within which the developments would be located. Comparative advantage industries are those economic activities which represent the most efficient use of resources, relative to other geographic areas." Finally, and perhaps most importantly, OAR 660-09-025(2) requires the city to project its industrial land needs for a 20-year period.

Goal 9 requires that the city have, within its planned industrial areas, an adequate supply of industrial land for the type of industrial users that are expected to locate in the area. The city has a well-established industrial strategy to provide and sustain a regional employment center, which is dependent on having a sufficient supply of large sites to be able to attract large primary industrial users, such as Intel, NEC and Fujitsu America. This is the city's adopted planning policy, and Goal 9 requires that the city provide adequate industrial lands to meet those policy objectives.



An Economic Opportunities Analysis conducted for Hillsboro as part of its periodic review in 1992 found that, due to the success of the city's industrial strategy, its industrial lands were being absorbed at an accelerated rate. That 1992 study concluded that the industrial land supply in the area could be depleted as soon as 2010. An up-dated and more-in depth look at the industrial land supply and market trends in the Hillsboro regional area, entitled Industrial Market Evaluation, is included as part of Hillsboro's evidence. The Industrial Market Evaluation's conclusions about the rate of absorption of the existing land supply is generally in accord with the 1992 study. The current inventory of vacant and buildable industrial lands is approximately 1,932 acres.<sup>34</sup> That inventory includes land that is currently vacant, but, as discussed below, is committed to the expansion needs of existing users and thus is not available to the marketplace to accommodate new users. Based on current absorption rates and projections of the job growth in the Hillsboro region, that vacant land inventory represents about a 17 year supply of all types of industrial land. Thus, the evidence suggests the city may run out of industrial land by 2014.

Metro has determined that there will be a demand in the Hillsboro region to add at least 65,000-70,000 new jobs by 2015. The current industrial land inventory in the Hillsboro region is probably not adequate to accommodate that level of job growth. The report documents that 229 acres have to be added to the Hillsboro region's urban land supply in order to accommodate Metro's job projections for the region for the next 18 to 20 years. The evidence indicates that the job demand projections from 2015 to 2040 will likely be high enough to require that an additional 2,245 acres be added if the industrial land inventory within the Hillsboro regional area is going to be able to accommodate the job demand. While the expert evidence does document a need for roughly 200 acres over the next 20 years, and considerably more industrial acreage over the 43-year planning horizon, the urban reserves being designated herein, including the Shute Road site, are not intended to address all of that potential industrial land need within the Hillsboro region and city at this time. The evidence does support the conclusion that Hillsboro has a specific need to add roughly 200 acres of industrial land to ensure it has a 20-year inventory in compliance with OAR 660-09-025(2). The testimony of DLCD and EDD suggests, however, that that much additional industrial acreage may not be needed because the job demand can be accommodated outside of the city in other areas of the Hillsboro region and throughout the entire Metro region. Accepting in part the belief of the state agencies, and recognizing the various policies that support the 2040 Growth Concept's call for as compact an urban form as is practical, Metro accepts that there **may** not be a need to **increase** the industrial land supply within the City of Hillsboro during the next 20 years, and perhaps even for a longer period. In accepting that premise (despite some expert testimony to the contrary), Metro finds that the industrial land inventory within the city and Hillsboro region cannot be diminished without putting the city out of compliance with Goal 9. In designating Shute Road as an urban reserve site, Metro is recognizing the possibility that the Seaport property may be rezoned for residential uses prior to the time Shute Road is brought inside the boundary. (See jobs-to-housing ratio discussion below.) Finally, as discussed in more detail below, there are no exception area sites that can adequately serve as a replacement industrial site for the Seaport property. While making the Shute Road property potentially available for industrial development at the proper time may not fully address all of the city's Goal 9 needs, and it may not

---

<sup>34</sup> The Industrial Market Evaluation used the same study area identified by Metro in its Technical Memorandum in support of its Recommended Alternative. The study area is the area of the Hillsboro Regional Center serving at least 100,000 population.

be sufficient for the entire 43-year planning period, nonetheless, it is a minimal step towards ensuring that the city has a 20-year supply of adequate industrial sites, and thus is an appropriate justification in accord with OAR 660-21-030(4)(a).

A third alternative basis demonstrating the specific need for the Shute Road site is linked to the possible rezoning of the Seaport property to address the growing jobs-housing imbalance in the Hillsboro Regional Center area. With the inclusion of Shute Road in the urban reserves, the city has stated its intent to move forward with the rezoning of the Seaport property from its current industrial status to residential use. As discussed below as part of the St. Mary's findings, the Seaport property may be best utilized to help correct the more immediate housing needs in the Hillsboro region. Thus, the 200-acre Shute Road site serves as a longer term replacement of a large lot campus industrial site if the Seaport property were rezoned to address the current jobs-to-housing imbalance.

Helping to rectify the jobs-housing imbalance in Hillsboro is one of the factors that supports the immediate rezoning of Seaport. Because of the region's longer term industrial land needs, there must be a replacement site for Seaport, which is one of the justifications for including Shute Road in the urban reserves. Thus, the jobs-housing balance provision in OAR 660-21-030(4)(a) becomes an alternative basis that supports the inclusion of Shute Road in the urban reserves.

The 200-acre Seaport property is currently within the city limits (and inside the UGB) and is zoned for industrial use. While it can be considered an alternative site to the Shute Road parcel, the Seaport property may be better suited to residential use due to its rolling topography and location adjacent to the Bendemeer neighborhood. Also, as Hillsboro has testified, there are a number of land use planning and transportation efficiencies to be gained by developing additional housing on the north side of the highway, while adding industrial land on the south side of the highway. Moreover, as discussed elsewhere in the findings, there is a current need to increase the supply of residential land within the Hillsboro region and, more specifically, within the city's planning jurisdiction. Seaport's topography and other site characteristics, as well as its location on the northern edge of the city and urban growth boundary, make it somewhat less than an ideal site for large campus-style industrial users. Indeed, the evidence indicates that a number of such users have considered and rejected the site. Rezoning Seaport for residential use, and including Shute Road in the urban reserves as a more suitable future industrial site, satisfies the specific need provision of the urban reserve rule and, more importantly, provides for the most appropriate land uses in the most appropriate locations.

The Shute Road property is the ideal site to accommodate the region's need for a large-acreage campus site. As described above, the property is in the northwest quadrant of the Evergreen Parkway and Shute Road intersection; the other three quadrants of that intersection are already within the UGB and form the heart of the Industrial Land Sanctuary. The property is large enough to accommodate one or several campus-style industrial users. Its location is consistent with capitalizing on the agglomeration economies strategy upon which the Industrial Land Sanctuary is based. The closer to the Sanctuary, the better located a site is to benefit from the agglomeration economies in the area. Other industrial sites such as the Rivergate area and even more distant locations will not address the unique specific land in the Hillsboro region.

Finally, the Shute Road location furthers Metro's RUGGO Economic Opportunity objective of supporting "public policy that maintains a strong economic climate through encouraging the development of a diverse and sufficient supply of jobs, especially family wage jobs, in appropriate locations throughout the region." For these reasons, the Shute Road parcel is the most appropriate choice to satisfy Hillsboro's specific land need.

Designating the Shute Road property as urban reserve, in conjunction with a rezoning of the Seaport property for housing near the existing Industrial Sanctuary, would result in no net acreage increase in the city's long-term industrial land inventory. Based on the industrial land demand evidence and analysis, that trade-off results in the minimum necessary acreage to ensure that the area's specific industrial land needs can be met during the next 43 years.

2. St. Mary's (portion of URSA #54-55) - A Hillsboro Priority Site

As discussed in more detail below in response to Goal 14 factors 3-7, the location and site characteristics of the St. Mary's site make it uniquely well-suited for urban development consistent with Metro's RUGGO and 2040 Growth Concept. St. Mary's is likely to develop as a mixed-use master-planned community including approximately 4,000 housing units. Oregon's policy preference for avoiding urban development of EFU and other resource lands except under special circumstances is reflected in the urban reserve rule at OAR 660-21-030(3). Such special circumstances exist, however, to justify the inclusion of St. Mary's. In accord with OAR 660-21-030(4)(a), the evidence demonstrates that the growing jobs-housing imbalance in the Hillsboro region justifies designating St. Mary's as urban reserve.

St. Mary's is an ideal site on which to develop a significant number of housing units in order to have a more favorable jobs-housing balance. The urban growth boundary already borders the site on two sides and a portion of the third side. Exception parcels and other non-farm uses border the remainder of the site. T.V. Highway, which forms the northern border of the site, is a principal arterial roadway that includes a well-used bus line. Another arterial roadway, 209th Avenue, abuts the property's eastern border. Development of the property will provide an opportunity to construct the planned connection between 209th Avenue and 219th Avenue/Cornelius Pass Road; which will provide St. Mary's with a direct north-south arterial connection to the Hillsboro Industrial Land Sanctuary to the north. A major computer chip manufacturing facility and industrial park is across the street from the property. As discussed in more detail below, the necessary urban facilities and services are readily available to the site.

Because of its size, suitability for development, and the fact that it is controlled by a single owner, St. Mary's presents a unique opportunity among the urban reserve sites to develop a master-planned community at a density and with design and other public amenities that fulfill many of the policies and objectives of Metro's RUGGO and the 2040 Growth Concept.

Hillsboro has conducted an alternative site analysis to determine whether a combination of rezoning land inside the UGB and developing housing in exception areas currently outside the boundary could sufficiently improve the jobs-housing balance so as to avoid having to develop St. Mary's. The only suitable alternative site in the Hillsboro regional area that can provide a significant number of housing units is the Seaport property, which is a 200-acre industrial site

located just north of the Sunset Highway. It is an undeveloped property inside the UGB. Because of its location and site characteristics Seaport may be better-suited for residential development than industrial uses. The city has testified that it is appropriate to rezone the site for residential uses, which would create the opportunity for a master-planned development of approximately 1,800-2,000 housing units.

As the evidence demonstrates, however, even with the rezoning of the Seaport property, and assuming the development of housing on all of the other sites in the Hillsboro region currently designated as urban reserves, there will continue to be a large shortfall in the number of housing units needed to keep pace with the projected job growth. Therefore, even the resource land in URSAs #54 and 55 is still needed as an urban reserve site in order to achieve a more favorable ratio of jobs to housing in the Hillsboro region.

URSA #54 and 55 contain about 454 acres of exception lands which are included in First Priority lands, above. The resource land in these URSAs have not been designated marginal or secondary resource lands. Therefore, inclusion of these resource lands in urban reserves requires an "exception" to the priority lands requirement in OAR 660-21-030(3) due to an identified "specific land need."

The following findings provide a more detailed analysis of and explanation as to why the evidence satisfies the applicable legal criteria for approving St. Mary's as an urban reserve site.

#### A. Legal Standards

At Metro's request, the "specific land need" subsection of the Urban Reserve Rule was amended by LCDC to recognize jobs/housing balance on a regional center basis as one type of an identified "specific land need." Therefore, the analysis of any land for a jobs/housing balance exception to OAR 660-21-030(3) priorities begins with the words of the amended Urban Reserve Rule at OAR 660-21-030(4):

"(a) Specific types of identified land needs, including the need to meet favorable ratios of jobs to housing for areas of at least 100,000 population served by one or more regional centers designated in (Metro's RUGGO)..." (emphasis added)

Director Benner's letter of November 7, 1996 describes his interpretation of "favorable" jobs-to-housing ratios: "This means work force participants and jobs in the area will become more nearly equivalent in number..." (not necessarily a one-to-one ratio). This is consistent with Metro's understanding of the legislative history of the rule amendment that Metro requested.<sup>35</sup> The legislative history indicates that "favorable" is a value judgment about how to improve the jobs to housing ratio to move toward a reduction of Vehicles Miles Traveled consistent with the Transportation Planning Rule.<sup>36</sup> Both Director Benner's letter and Metro's "Background Data" dated September, 1996 at page 9 note that "A much more accurate measure would be one that compared the wage level of the jobs with the cost of housing." However, neither Metro's 2040

<sup>35</sup> Transcript of LCDC November 1, 1996 hearing where the Urban Reserve Rule was amended.

<sup>36</sup> Id.

Technical Analysis (1994) nor the 2015 Forecast (1996) included this more detailed analysis and most accurate measurement of jobs/housing balance.

LCDC acceptance of Metro's proposal for the rulemaking and Director Benner's lauding of Metro's database and analysis in the November 7, 1996 letter indicate concurrence with the interpretation that, while additional analysis of wage levels and cost of housing is desirable the urban reserve rule does not require that additional analysis to demonstrate a jobs/housing ratio "specific land need." Inclusion of land in urban reserves for a jobs/housing ratio "specific land need" is intended to move the projected jobs and housing ratios toward a greater equivalency of jobs and housing in regional center areas in 2040. The designated urban reserves must enable urban reserve planning to locate housing near jobs in designated urban reserves consistent with a jobs/housing specific land need under the amended urban reserve rule.

Jobs/housing balance, like urban reserves before it, is a concept that originated in Metro's Regional Urban Growth Goals and Objectives (RUGGO). RUGGO are now acknowledged by LCDC to be in compliance with applicable state law, statewide land use goals and LCDC rules. Regional centers are one key to the 2040 Growth Concept subgoal of RUGGO:

"Regional Centers serve large market areas outside the central city, connected to it by high capacity transit and highways. Connected to each Regional Center, by road and transit, are smaller Town Centers with local shopping and employment opportunities within a local market area. Planning for all of these centers will seek a balance between hobs, housing and unique blends of urban amenities so that more transportation trips are likely to remain local and become more multi-modal."<sup>37</sup>

In keeping with the jobs/housing balance in centers, a jobs/housing balance by regional subareas can and should also be a goal. This would account for the housing and employment outside centers, and direct policy to adjust for better jobs/housing ratios around the region." (emphasis added)<sup>38</sup>

The legislative history of the jobs-to-housing ratio Rule amendment clearly indicates that the words "subarea of one or more regional centers" was intended to give jurisdictions, particularly Metro, flexibility in selecting the subarea boundaries.<sup>39</sup> The Hillsboro regional center area boundary used in the 1994 2040 Technical Analysis was used as the example of regional center

---

<sup>37</sup> See Transportation Planning Rule at OAR 660-12-035(4)(e): "The transportation system shall avoid principal reliance on any one mode of transportation and shall reduce principal reliance on the automobile.... (4) In MPO areas, regional and local TSPs shall be designed to achieve the following objectives for reducing automobile vehicle miles traveled (VMT) per capita for the MPO area: (a) No increase within ten years of adoption of the plan as required by OAR 660-12-055(1); (b) A 10% reduction within 20 years of adoption of a plan ..." (emphasis added)

<sup>38</sup> 1995 Regional Urban Growth Goals and Objectives at page 26.

<sup>39</sup> Transcript of LCDC November 1, 1996 hearing where the Urban Reserve Rule was amended.

subareas in the record of the LCDC hearing.<sup>40</sup> That is the Hillsboro regional center area that was used for calculation of the jobs/housing subfactor in the URSA study model and for the more detailed analysis for the "specific land need."

#### B. Jobs-to-Housing Ratio In Hillsboro Regional Center Area

As demonstrated in "Background Data" dated September, 1996 at pages 9-10, the Hillsboro regional center area does not anticipate a projected equivalency of jobs-to-housing in 2015 with 75,479 jobs and 51,429 households being the largest regional center area imbalance.<sup>41</sup> These numbers for the Hillsboro regional center area include both the highly "jobs rich" industrial areas of the City of Hillsboro and the "jobs poor" areas of Forest Grove and Cornelius. LCDC did not accept Metro's request to analyze areas which are separated from the rest of the UGB by rural land, like Forest Grove-Cornelius, separately for jobs/housing balance despite the one road transportation connection across rural land between Hillsboro and Cornelius.

Metro analysis of jobs and housing for the Hillsboro regional center, above, used data from the 2040 Growth Concept technical report which was done using early conceptual level data for suitability analysis of these designated urban reserves. The jobs and housing for the three "town center" areas labeled "1" were added together using 1992 data in Metro's feasibility analysis of the "Recommended Alternative" prior to adopting it into RUGGO as the 2040 Growth Concept in December, 1995.<sup>42</sup> That early conceptual analysis (1) found a very high 1992 jobs/housing imbalance in Portland; (2) made assumptions that continued the 1992 jobs/housing balance for Portland; and (3) included a first staff estimate of about 14,500 acres of urban reserves that are not the same as the urban reserves designated by the Metro Council.<sup>43</sup> It was appropriate for the 1994 conceptual analysis of the 2040 Growth Concept to estimate some amount of urban reserves to determine the feasibility of the Concept to 2040. By definition, the acknowledged UGB has a 20-year supply of land, and a "50-year land supply" (46 years in 1994) would require some additional land to analyze to 2040.

The analysis of jobs-to-housing ratios for regional center areas in the urban reserves study model was done for the job/housing subfactor of Factor 5 in the relative suitability analysis using this earlier concept data. The data and methods are explained in "Background Data," dated September, 1996 at pages 9-10. These data for 2015 include some allocation for urban reserves. Therefore, while indicative, the jobs and housing projections for inside the UGB are needed to start a detailed analysis.

---

<sup>40</sup> The regional center areas are those consistently used by Metro in its 2040 Growth Concept feasibility analysis, urban reserve analysis, and the October, 1996 LCDC hearing on the Urban Reserve Rule amendment. See map dated September 14, 1994 after Table 10 in Region 2040: Recommended Alternative Technical Appendix, September 15, 1994. See LCDC Hearing Transcript.

<sup>41</sup> These are the early (1994) estimates for 2015 used for the 2040 Growth Concept. This includes the Hillsboro, Forest Grove-Cornelius and Orenco Town Center areas indicated with a "1" on the map.

<sup>42</sup> Region 2040: Recommended Alternative Technical Appendix, September 15, 1994 at Tables 5, 7, 10.

<sup>43</sup> Ibid. at Table 10; Recommended Alternative Decision Kit, September 1994 at p. 1.

The new, 2015 Forecast, published in February, 1996, results in significantly different projected 2015 ratios.<sup>44</sup> It is the 2015 projected ratios, representing roughly the current 20-year UGB, that was used as the starting point for this specific land need urban reserve analysis. Part of the job of urban reserves, consistent with the LCDC acknowledged 2040 Growth Concept and the Transportation Planning Rule, is to improve the jobs/housing balance in 2040 from that projected to exist in the current UGB. Therefore, 2015 data for areas inside the UGB used as the starting point for urban reserve analysis instead of the earlier 2040 feasibility analysis using 1992 actual data and an early staff guess of about 14,500 acres of urban reserves. From the 2015 data for the three "town center" areas shown as the Hillsboro regional center area, the estimated jobs and housing from the actual urban reserves in the vicinity of Hillsboro regional center area are added to determine the jobs-to-housing ratio in 2040.

As indicated at page 9 of the "Background Data" report, only Portland and Hillsboro are "jobs rich." For purposes of urban reserve relative suitability analysis, ratings were based on comparisons among the four regional center areas only. The Portland Central City area has no urban reserves to develop to directly reduce its jobs/housing balance and all regional center areas contribute to the Central City being "jobs rich" now and in 2040. Also, Metro assumes an ongoing jobs to housing imbalance in the Central Business District that can be served by the use of existing and planned transit. Therefore, Metro's determination of the "favorable" jobs-to-housing ratio is based on the average jobs-to-housing ratio of the four regional center areas excluding the Central Business District.

Analysis of just the current city limits of Hillsboro in 2015 result in a whopping 3.12 jobs-to-housing ratio for about 74,000 population.<sup>45</sup> The Urban Reserve Rule requires a regional center of at least 100,000 population for a jobs-to-housing ratio "specific land need."

Adding together the Hillsboro "town center" area and the Orenco Town Center area (from the 2040 report map), about 80,430 jobs to about 38,921 households yields a 2.067 jobs to housing ratio. This is an area that includes 102,565 population, sufficient for a regional center area.

However, the Hillsboro regional center area used for 2040 analysis included the Forest Grove/Cornelius "town center" area, too. This "jobs poor" area reduces the 2015 jobs-to-housing ratio inside the UGB to 1.94.

The relevant comparison for this ratio is the regional totals for jobs and housing without the Central Business District (CBD). For all the region except the CBD the jobs-to-housing ratio from 2015 Forecast of February, 1996 is 1.48. That represents about the average number of workers per household projected for regional centers outside the CBD, and that is the target for a "favorable" jobs-to-housing ratio for the Hillsboro regional center area. However, by any measure, the Hillsboro regional center area is very "jobs rich."

---

<sup>44</sup> The 2015 Forecast included about 205,000 households inside the current UGB which is roughly equivalent to the 206,600 household capacity estimate for the UGB in 2017 in the Metro Council's preliminary Urban Growth Report.

<sup>45</sup> Metro staff memorandum "Hillsboro Area Jobs & Housing Balance Data," January 31, 1997.

C. Effect of Designated Urban Reserves in Hillsboro Regional Center Area

According to the urban reserve rule, Hillsboro must first look to nonresource lands to fulfill this need before deciding to include resource lands for the same purpose. Analysis of the urban reserves designated for the Hillsboro regional center area is necessary to determine how these areas could affect the jobs to housing ratio. Several of the urban reserves added by the Council in this regional center area are for industrial purposes and thus do not include additional households:

- ◀ #56 contains 38 acres of urban reserves for jobs in an expansion of an existing industrial area needed by the City of Forest Grove to meet its requirements for accommodating jobs and housing.
- ◀ #59 contains 35 acres of urban reserves for jobs needed by the City of Cornelius to meet its urban growth management functional plan title one requirements for accommodating jobs and housing.
- ◀ #62 contains about 255 total acres of which about 200 acres of resource land south of US 26 and west of Shute Road are needed for long term industrial use.

Exception lands within urban reserves added to the Hillsboro regional center would potentially add more dwelling units as follows:

- ◀ #61 contains 27 acres of exception lands with about 16.3 acres of buildable land yielding about 179 dwelling units and 67 jobs.
- ◀ The 42 acres of exception land in #62 could possibly add around 300 households at 11 dwelling units per net buildable acre.
- ◀ #54 contains about 47 acres (24%) of exception lands, with about 31 acres of buildable lands yielding about 341 households using the 2040 Growth Concept "Outer Neighborhood" design type.
- ◀ #55 contains about 407 acres (45%) of exception lands with about 242 buildable acres yielding about 2,662 dwelling units.

URSA	Households
61	179
62 (exception)	300*
54 (exception)	341
55 (exception)	2,662
<b>TOTAL</b>	<b>3,482</b>

\* may never be achieved due to existing parcelization.



So, the jobs-to-housing ratio for the entire Hillsboro regional center area in 2040, after adding the 249 jobs and 3,482 dwelling units for designated urban reserves other than resource lands in #54, 55 and 61, 62 to the 2015 projections does not significantly improve the jobs-to-housing ratio.

As the chart shows, roughly 3,500 housing units could theoretically be added on the exception lands contained within the urban reserves around the Hillsboro regional area. As discussed in more detail in the alternative site analysis below, due to parcelization and other site constraints, the exception lands, both within the urban reserves and in other areas outside the Hillsboro regional area, contain a realistic potential for something less than 3,500 units. More importantly, none of these exception areas is large enough or have the other kinds of site characteristics that will enable it to support a high density, masterplanned community that can achieve as many of the policy objectives of RUGGO as can the St. Mary's site.

The inadequacy of the exception areas around the Hillsboro regional area to accommodate the specific land need for housing units requires the Council to consider resource lands to address the need. EFU lands within the urban reserves in the area contain the following potential housing units:

#62 contains about 18 acres of resource land north of U.S. 26 for residential development. About 18 acres are buildable and they will be developed to 18 units per buildable acre yielding about 324 dwelling units. This land is developable at relatively high densities to serve the adjacent industrial uses with housing that generally matches the wage levels of jobs in those industries. (See VII, below.)

#54 and 55 (St. Mary's) contain about 618 acres of resource land with about 356 acres of buildable land, yielding about 3,560 households and 1,460 jobs by 2040 with 10 dwellings and 4.1 jobs per buildable acre. However, considering St. Mary's property masterplan:

- There are approximately 155 acres of resource land within URSAs #54 and #55 that are not part of the St. Mary's property. Assuming a development density of 11 dwelling units per net buildable acre, this land could theoretically produce 1,142 dwelling units.
- The St. Mary's property consists of approximately 463 acres of EFU land within URSAs #54 and #55. A master planned, mixed-use community on the site is likely to result in approximately 3,000 to 4,000 dwelling units on an estimated net buildable 250 acres, which would provide for a density of approximately 12-16 units per acre.

With the 2040 capacity of all designated urban reserves, then, the jobs-to-housing ratio in the Hillsboro regional center area is improved by adding 4,699 jobs and 6,176 households as follows:

104,647 jobs to 57,605 households = 1.82 ratio

However, the addition of St. Mary's and the other resource lands of URSAs #62, #54 and #55 can provide approximately 5,446 housing units to address the Hillsboro region's housing unit need. Adding to that number the units that could theoretically be achieved on all other designated urban reserves in the Hillsboro regional area produces a total potential number of housing units outside the UGB of roughly 11,500 dwelling units. This still falls short of the amount needed to achieve a 1.48 to 1 ratio.

In addition to developing housing on the St. Mary's property and other rural sites around the Hillsboro regional area, another alternative approach the urban reserve rule requires to be examined is whether land inside the UGB can be rezoned to accommodate the specific land need without using resource land. There is not enough land within the urban boundary of the Hillsboro region to accommodate the need for additional housing units. Additional dwelling units can be gained within the urban growth boundary by rezoning the Seaport property from industrial to residential use.

The property is located north of the Sunset Highway near the Bendemeer neighborhood, in close proximity to the residential areas along West Union Road. Thus, its location is more appropriate for housing. At 200 acres in size, the property can be master-planned and would likely accommodate about 1,800-2,000 housing units, which represents a relatively high density of 12 to 16 units per net developable acre. Also, the property's rolling topography makes it more suitable for residential use than its current zoning designation for industrial use. In addition, the property could possibly provide a better location for Hillsboro's fourth high school site, which is currently planned for a parcel in the Industrial Lands Sanctuary. Even if the Seaport property were to be rezoned to residential, nevertheless, a substantial need for housing units in the Hillsboro region remains. Because the Seaport property alone is inadequate to satisfy the need for more housing units, it is necessary to include URSAs #54 and 55 and, particularly, the St. Mary's property in order to address the specific land need for housing in the Hillsboro region. Taken together, all of URSAs #61, #62, #54, and #55, including the St. Mary's property, and the Seaport property can theoretically supply, at most, roughly 11,500 households and improve the jobs-to-housing ratio without reaching the favorable ratio of 1.48 jobs to 1 household.

In addition to the various alternatives analyzed above, there are suggestions in the record that there are still other non-resource sites that could provide sufficient levels of housing to enable the region to maintain a favorable job/housing ratio without including St. Mary's in the urban reserves. An analysis of those sites does not support that claim. Except for Seaport, all of the alternative sites are of limited assistance in addressing the housing deficit. As the alternative sites analysis detailed below shows, the Washington County exception areas which are located adjacent to the UGB in Forest Grove, Cornelius and Hillsboro have extremely limited potential for providing additional housing. Almost all of the exception areas are composed of lands which are parcelized into relatively small lots held in separate ownership. Because many of these exception areas are developed for rural residential use, it is unlikely that they will redevelop in the near future, and if they do eventually become urbanized, it is highly unlikely they will achieve the housing density goals of 11 units per acre for outer neighborhoods recommended by the 2040 Growth Concept. For this reason and the reasons in IV, above, the exception areas are not alternatives which can reasonably accommodate the special need for housing in the Hillsboro region. In conclusion, Metro's data and the expert analysis and evidence provided by Hillsboro persuasively demonstrate that there is no reasonable alternative to improve the jobs-to-housing ratio for the

Hillsboro Regional Center Area than to include URSA #54, 55 and, particularly, the St. Mary's property within the urban reserves.

D. St. Mary's as a First Priority Site

As discussed above, the legal basis for St. Mary's urban reserve designation is the specific need provision in OAR 660-21-030(4)(a). In order to assure compliance with the urban reserve rule's technical requirements, it is necessary for St. Mary's to satisfy the specific need provision because the property does not qualify as a first priority land pursuant to OAR 660-21-030(3)(a). For all practical purposes and relevant policy considerations, however, the St. Mary's property does qualify as a first priority site. While the property is not "**completely** surrounded by exception areas," which would legally qualify it as a first priority site, it is so close to being surrounded that it can be deemed to meet the intent of OAR 660-21-030(3)(a). The "completely surrounded" provision of OAR 660-21-030(3)(a) recognizes that EFU and other resource land can be included as first priority urban reserve land when it is not next to, and therefore is isolated from, productive farmland. Except for a small stretch of land zoned EFU that borders the southwest corner of St. Mary's, the remaining 83% of the site's border abuts exception areas and urban land. The small portion of EFU land that does border the site, however, is not in productive farm use; rather part of it has been developed as a golf course and another part contains radio towers. There is no productive farm use adjoining the St. Mary's property or in the vicinity of the property. Therefore, although perhaps not quite meeting the demanding technical standard in OAR 660-21-030(3)(a), nevertheless, it is reasonable, for all practical and policy purposes, to consider St. Mary's as a first priority site because it fully meets the intent of the "completely surrounded" provision in OAR 660-21-030(3)(a).

URSA #62 contains about 42 acres of exception lands which are included in First Priority lands, above. However, there is a "specific land need" for these resource lands to improve the jobs-to-housing ratio in the Hillsboro regional center area. The analysis and interpretation of the Urban Reserve Rule and the Hillsboro regional center area in 1 and 2, above, applies to the resource lands in #62 north of U.S. 26 which are not part of the campus industrial specific land need in 1, above.

These findings address that portion of Urban Reserve Study Area Site 62 located north of the Sunset Highway (US 26). This approximately 20-21 acre area is bounded on the south by the Sunset Highway, on the west and north by a drainage swale that is a tributary to Rock Creek, and on the east by Helvetia Road. The site is largely flat and unremarkable in its topography and appearance. Groveland Drive, an east-west local road, bisects the area. To its south are five small developed residential properties ranging in size from 0.40 to 0.53 acres. North of Groveland Drive is property in single ownership consisting of the eastern portion of Tax Lot 900 and the southeasternmost corner of Tax Lot 901 (hereinafter referred to as "Tax Lot 900/901"). Although zoned for exclusive farm use, this approximately 18 acres parcel, consisting primarily of Class IV soils, remain mostly wooded and show no evidence of prior cultivation.<sup>46</sup> Over two-thirds of the remaining approximately 16 acres of Tax Lot 900 west of and outside Site 62 (URSA #63) also show no signs of prior cultivation. Four dwellings (one a duplex) occupy this excluded portion of Tax Lot 900. In contrast, Tax Lot 901, containing over 39 acres, has a history of farm use except for the small portion east and south of the swale that has been included in Site 62.

<sup>46</sup> Soils Survey Report Standing Property Washington County, Figure 4.

Across Site 62 to the east is Jacobsen Road, an east-west connector. Immediately south of Jacobsen Road, inside the urban growth boundary, is the westbound exit ramp off the Sunset Highway. A 57.89 acre parcel owned by PacTrust that has been approved for development as an industrial park, the fully developed five acre Shinei manufacturing property, and the approximately 63-acre Bosa Industrial Park. North of Jacobsen Road, approximately 700 feet from Helvetia Road, is a 62-unit mobile home park occupying 14.55 acres. Despite its developed character, this mobile home park lies outside the UGB and is zoned for exclusive farm use. Immediately east of the mobile home park, and again inside the UGB, is the 228.4 acre Seaport property, which is currently zoned for employment uses.

Overall, Site 62 in its entirety was assigned an urban reserve rating of 48.5. That rating for #62 in both URSA analyses is based on the model assumption that all land will be used for residential uses. The 48.5 rating places Site 62 right in the middle of the survey, with 37 other URSA's having higher scores and 32 scoring lower.<sup>47</sup>

Had the ratings considered subareas, the northern portion of Site 62 would likely have scored higher than Site 62 as a whole. As described below, this area is unconstrained, easily serviceable, and suitable for mixed use residential development at densities significantly higher than Metro's assumed average of 10-11 units per acre. To ensure this result, the property owner of Tax Lot 900/901 (1/2 of Tax Lot 900 is URSA #63) has suggested development of this property be reserved for a minimum average density of at least 18 units per buildable acre.

### Urban Reserve Rule

Lands that are zoned for exclusive farm use are, by law, considered of lower priority for inclusion in urban reserves. *See* OAR 660-21-030(4). However, under OAR 660-21-030(4)(a), the Metro Council nonetheless may include EFU-zoned lands to correct unfavorable jobs/housing balances. Here, inclusion of the northern portion of Site 62 within the urban reserve boundary is appropriate because these lands are needed to correct the unfavorable jobs/housing imbalance forecast identified for the Hillsboro Regional Center.

By the year 2015, Metro projects that the Hillsboro Regional Center will accommodate 120,405 jobs and 66,761 households.<sup>48</sup> This results in a job/housing ratio of about 1.8, the most significantly one-sided jobs-rich imbalance outside the Portland Central City. If Metro had analyzed the Hillsboro Regional Center as an area of 100,000 population excluding jobs-poor Forest Grove and Cornelius in the analysis, this jobs to housing ratio would be even more unfavorable.

In the immediate vicinity of Site 62 the Hillsboro "jobs-rich" imbalance is most noticeable. Immediately adjoining Site 62 to the south is the Dawson Creek Corporate Park, a major employment center. Lands to the east and southeast (south of Evergreen Parkway) also are designated and zoned for employment uses, including a large (75.43-acre) parcel of land immediately east of Site 62 that was recently purchased by Nike for office/manufacturing development. North of the Sunset Highway, lands sandwiched between Jacobsen Road and the

---

<sup>47</sup> Site 27 had the identical score of 48.5.

<sup>48</sup> *See*, Hillsboro's evidence.

Sunset Highway also are identified for employment uses, as is currently the Seaport property north of Jacobsen Road. Many people employed at these locations will need and want affordable housing, but very little land has been planned and zoned for more affordable housing types within short distances of these work places.

Businesses locating on these properties will be generating an impressive number of new jobs. South of the Sunset Highway, Komatsu Electronic Metals Co., now under construction at Dawson Creek Park, is expected to create 300 jobs in the first phase alone. Integrated Device Technology, Inc., also at Dawson Creek Park, will provide another 975 jobs. Intel's new microprocessing facility at Ronler Acres, located southeast of the intersection of Evergreen and Shute Road, is expected to create 1400 new jobs, and the Nike facility along Shute Road just south of US 26 should create over 1400 new job opportunities.<sup>49</sup> Further, assuming eight new jobs per acre, the approximately 200 acres of resource land in Site 62 south of the Sunset Highway will create about 1600 more jobs.

North of the Sunset Highway, the PacTrust Industrial Park will create about 450 jobs and the Bosa Industrial Park will create of 500 jobs.<sup>50</sup> Hundreds of additional jobs will be created when the Seaport property is developed, and when a new high school is built on the Hillsboro School District's 44.98-acre site located along Croeni Road just south of Jacobsen Road, approximately one mile east of the intersection of Jacobsen and Helvetia Roads.

While many of the jobs created at these sites will pay salaries adequate to support ownership of detached single family homes, many other jobs will pay wages that alone are insufficient to support that type of home ownership. By the year 2015, it is projected that approximately 64 percent of households in the City of Hillsboro will have incomes under \$40,500.<sup>51</sup> Given existing housing costs, these incomes probably will be insufficient to afford a detached single family home. Many of the households earning incomes below \$40,500 will require more affordable housing types to meet their residential needs. These can include attached housing such as multi-family dwellings, garden apartments, townhouses and rowhouses, as well as duplex and small lot single family housing. With its flat, unconstrained land and ready access to public facilities and services, the northern portion of Site 62 provides an excellent opportunity to provide affordable housing for the many people earning non-managerial wages who will be working at these locations.

### **Public Facilities and Services**

The URSA Reanalysis rates Site 62 a rating of "7" for utility feasibility, "5" for roadway network, "10" for traffic congestion and "2" for schools.

The Site 62 **utility feasibility** rating of "7" is based on an assumed total utility cost per EDU of \$3800. This is based on an assumption that the land will develop at 10-11 dwelling units per acre. However, Tax Lot 900/901, which comprises nearly all of the vacant developable land north of the Sunset Highway, has no constraints that would restrict its development to only 10 units

---

<sup>49</sup> OREGONIAN, September 19, 1996; Hillsboro Absorption analysis, 1997

<sup>50</sup> These numbers assume eight new jobs per acre.

<sup>51</sup> Tualatin Valley Economic Development Corporation, July 1996.

per acre. This property, as well as the remaining portions of Tax Lot 900 outside Site 62, can easily develop at significantly higher densities and should be reserved for that purpose. Higher density development at this site, combined with the proximity of urban services to the area, reduces the overall utility cost per EDU to a level that likely would have resulted in a rating higher than 7 had ratings been developed on a subarea level.

Urban services to Site 62 north of the Sunset Highway can readily be extended to Tax Lots 900/901.<sup>52</sup> Sanitary sewer and water lines already are located in Jacobsen Road at the Shinei USA, Inc. site located approximately one half mile of Helvetia Road. These facilities were installed at this location in late 1996 and can be extended west to serve Tax Lot 900/901. Sanitary sewer facilities also are located adjoining the PacTrust property just north of Highway 26, and Nike is planning to extend a 16-inch water line along Shute Road to a point approximately 0.4 miles from Tax Lots 900/901.<sup>53</sup> Storm facilities can be developed in accordance with applicable drainage standards.<sup>54</sup>

The rating of "5" for the **roadway network** reflects the ratio of existing roads to needed roadways. While this number reasonably reflects residential use on Site 62 as a whole, it is lower than a rating would be for the portion north of Highway 26. The acreage north of the Sunset Highway already is served by Groveland Drive. Additional roadway needed to serve urban development on Tax Lot 900/901 will be small compared to any residential development on the large (200 acre) undeveloped resource parcel south of the Sunset Highway. That parcel has no existing internal roadway system and will require much more roadway to serve proposed urban development. Accordingly, had Metro considered ratings on a subarea basis, the area north of the Sunset Highway would have merited a higher rating for the roadway network.

The rating of "10" for **traffic congestion**, which is measured by volume to capacity ratio, appropriately applies to all of Site 62. However, the rating of "2" for **schools** is unreasonably low for the area north of the Sunset Highway. Site 62 north of the Sunset Highway is located only 2700 feet south of the West Union Elementary School site on Helvetia Road at West Union. This is closer than the 0.75 mile distance that warrants only a single point under the ratings scale. Also, the Hillsboro School District owns nearly 45 acres on Croeni Road just south of Jacobsen Road, upon which it intends to construct a new high school. Because this school site is located only about one mile from Tax Lot 900/901, and because a single point is allocated for distances as far as three miles away, the subarea would have warranted a much higher rating had ratings been developed on a subarea level.

### **Maximum Efficiency of Land Uses**

The updated urban reserve ratings assign Site 62 high scores of "8" for efficiency and "8" for buildable land. However, the portion north of the Sunset Highway would have received "10" ratings had a subarea analysis been done.

---

<sup>52</sup> Alpha Engineering report dated January 31, 1997.

<sup>53</sup> See City of Hillsboro Memorandum, *supra*.

<sup>54</sup> See Alpha Engineering report, *supra*.

The **efficiency** rating of "8" reflects inefficiencies associated with scattered development in the approximately 42 acres of exception area south of the Sunset Highway. Tax Lot 900/901, which constitutes the developable land in this area, is flat, has no development limitations, and would justify the highest rating. The same is true for the remainder of Tax Lot 900 outside URSA 62.

This same analysis reasonably applies to the **buildable lands** rating. Again, all of Tax Lot 900/901 is considered buildable. This property can accommodate residential development at a minimum average density of 18 units per buildable acre; a substantially higher density than the 10-11 units per buildable acre assumed for the URSA's as a whole.

### **Economic, Social, Environmental and Energy Consequences**

The updated urban reserve ratings assign Site 62 a rating of "7" for environmental constraints, "9" for access to centers, and "9" for jobs-rich.

Overall, these numbers are appropriate for the subareas both north and south of the Sunset Highway. Regarding **environmental constraints**, because Tax Lot 900/901 contains no constraints to very efficient, higher density residential development, it warrants a rating higher than "7". On the other hand, its distance in miles from **centers** would warrant a somewhat lower rating, even though this site has excellent access to the Tanasbourne Town Center via Highway 26, the Orenco Town Center via Shute Road, and the Hillsboro Regional Center via Shute Road and Evergreen Parkway. This easy access along uncongested roads actually may save time and energy over other areas where distances are shorter but the roadways are much more congested.

The **jobs** rating of "9" is appropriate. The urban areas surrounding Site 62 heavily emphasize employment over housing. There are no housing opportunities in the immediate area other than redevelopment of the 42 acres of highly parcelized exception lands in Site 62 south of the Sunset Highway. Indeed, the nearest residentially designated area to Tax Lots 900/901 is east of Cornelius Pass Road, more than 1.5 miles away. The absence of housing opportunities in this immediate area, combined with the fact that the site has no development constraints, render Site 62 north of the Sunset extremely valuable for improving the jobs-to-housing ratio.<sup>55</sup>

### **Agricultural Retention and Agricultural Compatibility**

The updated urban reserve ratings assign Site 62 a rating of "2" for agricultural retention and a rating of "2" for agricultural compatibility.

The Background Data report dated September, 1996 indicates that in determining **agricultural retention** for an URSA, consideration was given to five categories, including the four "hierarchy" categories in the Urban Reserve Rule plus whether the land is actively farmed. While the portion of Site 62 north of the Sunset Highway is zoned for exclusive farm use, none of these lands are being actively farmed. In contrast, much of the 200-acre resource parcel south of the Sunset Highway is currently being utilized for farm use. Therefore, a separate rating for this parcel

---

<sup>55</sup> City of Hillsboro memorandum, supra.

on agricultural compatibility would be much higher. By averaging the rating, the effect is a lower rating than is otherwise warranted for the portion of Site 62 north of the Sunset Highway.

The five developed lots south of Groveland Drive are committed to nonresource uses due to their level of development and small sizes (generally under half an acre). North of Groveland Drive, Tax Lot 900/901 consists predominantly of Class IV soils and shows no evidence of prior cultivation.<sup>56</sup> Because Tax Lot 900/901 contains predominantly Class IV soils, the site has a lower priority for retention as agricultural land, and a higher priority for urbanization, than other resource lands included in URSA #62 containing better agricultural soils. This would result in a higher score for this subarea were ratings assessed on a subarea basis.

A score of "2" also is unreasonably low for this subarea with respect to **agricultural compatibility**. The score indicates a higher likelihood of interference with agricultural uses on adjoining parcels. It also indicates that farming is the dominant activity in and around the surrounding URSA area. However, as noted above, none of Site 62 north of the Sunset is in agricultural use. The largest parcel, Tax Lot 900/901, shows no evidence of having ever been in agricultural use. Moreover, this subarea is not surrounded by agricultural lands, and it is even questionable whether farm use would qualify as the dominant activity on surrounding lands. There is no agricultural use to the south, which consists of the Sunset Highway and, below that, the exception portion of Site 62. The portion north of the Sunset Highway has U.S. 26 and Helvetia Road on two sides of a triangle with a natural feature (a swale) separating this parcel from any farm uses. Lands to the west are zoned EFU, but they are predominantly in rural residential use. Four separate dwellings occupy the western third of Tax Lot 900, which, like the eastern portion inside Site 62, has never been farmed. (Only about 20% of the approximately 30-acre Tax Lot 900 has ever been farmed.) Lands to the northwest and north in Tax Lot 901 are in active farm use, but they are separated from Site 62 by a swale that is a tributary to Rock Creek. Lands immediately to the east of Tax Lot 900/901 are in farm use only to a depth of approximately 700 feet, behind which lies the 62-unit mobile home park. Lands to the southeast, south of Jacobsen Road, are inside the UGB and already have been approved for employment purposes. Hence, for this subarea, the likelihood for interference with agricultural uses on adjoining parcels is, at best, moderate.

### **Conclusions For #62 Housing**

When viewed on a subarea basis, the portion of Site 62 north of the Sunset Highway merits a much higher rating for residential development than Site 62 as a whole. This area has no topographical or environmental constraints that would prevent mixed use residential development. This land should be reserved for development at residential densities significantly higher than the 10-11 dwelling unit per acre average assumed by Metro for the urban reserve analysis. The subarea has excellent access to services and outstanding access to the regional road system. Agricultural lands on Tax Lot 900/901 are predominantly Class IV, which makes this site more appropriate for urbanization and less appropriate for agricultural retention than other EFU-zoned URSA's containing predominantly Class I, II or III soils. Most importantly, Site 62 north of the Sunset Highway provides an outstanding opportunity to provide a mix of needed, affordable housing types consistent with the 2040 Growth Concept in an area where the jobs/housing imbalance is extreme, and the property owner has suggested an approval condition that would ensure residential

<sup>56</sup> See Alpha Engineering report, *supra*.



development of this site at higher densities. For all of these reasons this portion of Site 62 meets the applicable urban reserve standards and merits designation as an urban reserve.

URSA #56 contains about 38 acres of resource lands adjacent to an existing City of Forest Grove industrial zone. The property is surrounded by unbuildable floodplain. There is a specific land need for jobs capacity to enable Forest Grove to meet its requirements for accommodating jobs in the Urban Growth Management (UGM) Functional Plan.

Title 1 of the UGM Functional Plan was effective February 19, 1997. Table 1 of Title 1 requires Forest Grove to amend its comprehensive plan, if necessary, to accommodate 2873 households and 5488 jobs by 2017. By rezoning residential land to 2040 densities, Forest Grove seems to be able to accommodate the projected households.<sup>57</sup> However, that analysis indicates that not all of the jobs can be accommodated inside the current UGB. Therefore, an additional 38 acres of buildable land would provide the capacity for about 760 additional jobs at 20 jobs per buildable acre for heavy industrial zoning.

Forest Grove is surrounded by resource land. To add any additional land for job capacity, some resource land will be affected. URSA #56 would have the least impact on surrounding agricultural uses compared to any other resource land surrounding Forest Grove for two reasons. First, an existing industrial zone with city water, sewer, storm drainage and roads is already in place.<sup>58</sup> Second, the URSA #56 boundary is the floodplain.<sup>59</sup> The acknowledged 2040 Growth Concept and Title 3 of the UGM Functional Plan treat floodplains as undevelopable land. Therefore, the floodplains prevent expansion further onto resource land in this area.

The Forest Grove Comprehensive Plan was adopted in 1980 and acknowledged in 1983. In 1990, an Industrial Plan was completed during the city's Periodic Review process.<sup>60</sup> The Comprehensive Plan identifies Light Industrial and General Industrial uses. The inventory is approximately 112 net buildable acres designated for light industrial with about 72 acres vacant.<sup>61</sup> This includes the Tektronix circuit board manufacturing plant in the middle of its 100-acre site with its own master plan for supportive industrial uses, like Benchmark Electronics on 8.5 acres.<sup>62</sup>

In 1985-87 a plan amendment designated the Sunset Drive Light Industrial Area. Sites #76 and 77 about 31.7 acres adjacent to Sunset Highway in the vicinity of Beal Road were rezoned from residential to light industrial.<sup>63</sup>

About 220.8 net acres of general industrial land was in the inventory in 1990. Since that time Crown Corporation has developed part of the 67.5-acre site within the UGB adjacent to URSA #56.

---

<sup>57</sup> See Forest Grove staff memo.

<sup>58</sup> See City of Forest Grove Comprehensive Plan.

<sup>59</sup> See "Background Data," \_\_\_\_\_, 1996 \_\_\_\_\_ at page \_\_\_\_.

<sup>60</sup> Industrial Lands Study, Dorman, White & Co./E.D. Hovee & Co., November, 1990.

<sup>61</sup> Ibid. at page 34.

<sup>62</sup> Ibid. at page 23.

<sup>63</sup> Ibid. at page 24.

URSA #59 contains about 33 acres of buildable resource lands adjacent to the City of Cornelius. The boundary of this URSA is the Council Creek floodplain, the natural feature used as the urban growth boundary for the rest of the northern boundary of Cornelius. There is a specific land need for jobs capacity to enable Cornelius to meet its requirements for accommodating jobs in the Urban Growth Management (UGM) Functional Plan.

Title 1 of the UGM Functional Plan was effective February 19, 1997. Table 1 requires Cornelius to amend its comprehensive plan, if necessary, to accommodate 1019 additional households and 2812 additional jobs by 2017. About 335 additional jobs must be added to mixed use areas, leaving a need for 2477 jobs. From rezoning to accommodate additional households and redevelopment, additional jobs can be accommodated. However, Cornelius must use some commercial land to meet the housing requirement and only 104 acres of vacant industrial remains. About 30 of those acres will be reevaluated for residential use. This leaves only about 74 acres to accommodate 2477 jobs. The jobs per acre ratio would have to be more than double the current ratio. Improving that ratio to the average 20 jobs per acre for heavy industrial zoning indicates a need for about 140 acres of industrial land. The addition of 35 acres of buildable land for industrial uses is not sufficient to meet the estimated need for 2017 requirements.<sup>64</sup>

An additional 35 acres of buildable land would provide the capacity for at least 700 additional industrial jobs. The increased efficiencies from adding this land immediately adjacent to the existing Davis Oaks Industrial Park will enable the city to improve its jobs per acre ratio on this land and this urban reserve area.

Cornelius is surrounded by resource land. To add any additional land for job capacity, some resource land will be affected. URSA #59 would have a lesser impact on agricultural use than URSA #60, a larger site with some exception land because it lies north Council Creek which creates limitations and expenses for extending urban services, all requiring multiple creek crossings.

URSA #59 would have the least impact on surrounding agricultural uses compared to any other resource land surrounding it for two reasons. First, this site is fully serviceable with urban services. City water, sewer, storm drainage and roads are already available adjacent to this site. Second, this site is immediately adjacent to an existing industrial park.

jep  
I:\DOCS#07.P&D\02UGB\04URBRES.DEC\FINDINGS.2-5

---

<sup>64</sup> See Cornelius staff memo of January 28, 1997.

TO: Susan McLain, Chair  
Growth Management Committee

FROM: Michael Morrissey  
Staff

DATE: February 10, 1997

RE: URSA Reanalysis as Per Findings

The attached information was produced last week by Growth Management staff, at the request of Larry Shaw. This information is explained in his findings and in the executive summary to the findings, dated January 27, 1997.

As was explained in the findings, it was necessary to run a new URSA analysis on URSA sites based on 1), the revised capacity of the current UGB based on action of the Metro Council (206,600 vs. 243, 600); and 2), altering sites to remove resource land as per the Urban reserve rule.

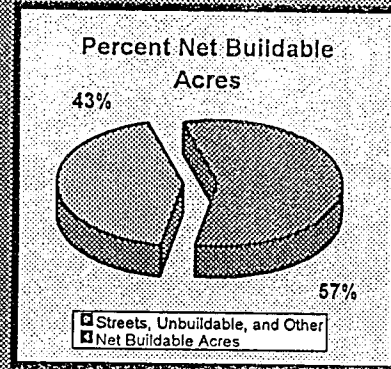
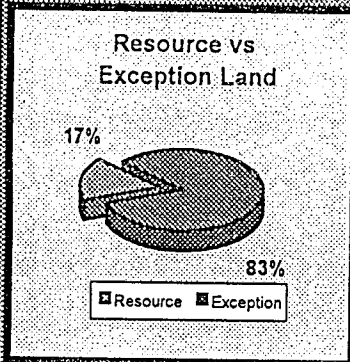
To summarize the data and the findings:

acres	
23,000	Beginning URSA acreage.
20,050	Council trims site boundaries of some resource land.
19,100	Reanalysis. Use 206,600 acres as capacity of current boundary.
18,080	Reanalysis directs elimination of some land due to efficiency and buildable land aspects of application of the Urban Reserve Rule (factor 4 requirements of Goal 14).
18,300	Add land based on alternatives analysis.
18,300	Total Urban Reserves based on findings.
2,950	Resource land total.
1,460	Resource land surrounded by exception land and UGB.

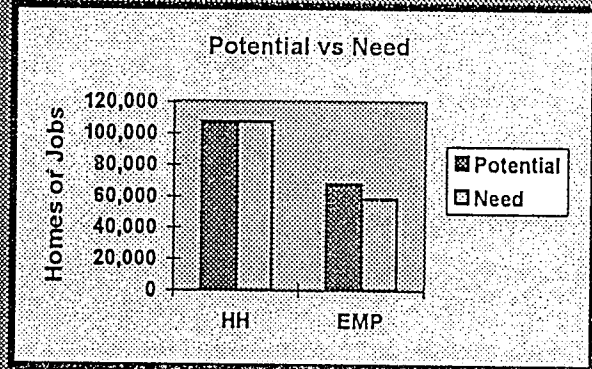
# Urban Reserve Findings

## URSA-Analysis

Variables	Minimum Qualifying Score	2040 Household Forecast (Metro UGB)	Current UGB HH Capacity	2040 Employment Forecast	Current UGB Emp. Capacity	Household Redevelopment & Infill	Employment Redevelopment & Infill
Results	33	359,653	206,600	561,800	461,663	30.0%	42.0%
	URSA Acres	Resource Acres	Buildable Acres	URSA HH Potential	URSA HH Need	URSA EMP Potential	URSA EMP Need
	19,123	3,298	10,949	107,504	107,137	67,684	58,079



Avg. Units per Buildable Acre  
9.82



# Weighting Factors

Factor Weight

Urban Reserve Rule Factor 3			
Utility Feasibility	Road Network	Traffic Congestion	Schools
0.75	0.75	0.75	0.75
5.0%	5.0%	5.0%	5.0%

Urban Reserve Rule - Factor 4	
Efficiency Factor	Buildable Land
1.5	1.5
10.0%	10.0%

Factor Weight

Urban Reserve Rule - Factor 5			
Environmental Constraints	Access to Centers	Jobs/Housing Balance	
		Jobs Rich	Housing Rich
0.75	0.75	0.75	0.75
5.0%	5.0%	5.0%	5.0%

Urban Reserve Rule - Factor 6
Agric. Retention Factor
3
20.0%

Urban Reserve Rule - Factor 7
Agricultural Compatibility
3
20.0%

Factor 3	Factor 4	Factor 5	Factor 6	Factor 7
Total Weight	Total Weight	Total Weight	Total Weight	Total Weight
20.0%	20.0%	20.0%	20.0%	20.0%

# Qualifying URSAs

Qualifying Score

=

33

Site #	Acres	Resource	Buildable	Capacity		Score
		Acres	Acres	HH	EMP	
1	535	163	257	2,361	1,744	46.5
2	418	121	241	2,412	983	54.0
3						26.0
4	124	0	30	325	121	57.0
5	1,371	48	759	8,148	7,344	64.5
6	1,797	221	1,158	11,750	8,875	58.0
7	413	1	249	2,522	1,584	61.0
8	429	0	274	2,910	6,182	60.0
9	436	3	275	2,487	2,291	56.0
10	134	0	82	824	338	53.0
11	436	49	296	3,271	1,802	59.0
12	195	0	45	454	186	38.0
13	67	0	31	305	125	46.0
14	233	0	154	1,791	924	60.0
15	347	0	200	1,999	819	54.5
16	15	0	2	16	7	44.0
17	153	0	105	1,108	431	65.5
18	128	7	91	938	374	60.0
19	9	0	6	58	24	62.5
20	160	3	106	783	308	70.5
21	12	10	6	7	1	38.5
22	322	0	222	2,219	910	63.5
23	23	0	16	160	65	57.0
24	212	0	140	1,401	574	57.0
25	970	0	677	5,777	4,949	62.5
26	1,965	0	1,060	9,569	6,592	46.5
27	19	13	12	120	49	48.5
28	55	51	34	334	137	46.5
29	188	0	120	1,184	484	61.0
30	139	0	78	780	320	57.0
31	736	615	407	4,072	1,669	41.5
32	87	76	57	573	235	55.5
33	338	72	149	1,490	611	53.5
34	756	0	305	2,822	1,738	46.5
35	48	2	31	314	129	41.5
36	33	0	7	72	29	41.5
37	146	0	94	974	386	57.0
38	42	41	30	320	123	38.0
39	13	10	10	105	39	33.5
40	36	12	22	218	90	43.5
41	419	286	240	2,561	985	33.0
42	243	0	164	1,773	673	64.5
43	11	0	6	62	25	58.0
44	162	114	89	430	155	40.5
45	432	0	207	2,073	850	46.5
46	112	6	72	722	296	49.5
47	80	0	47	473	194	54.5
48	218	0	129	1,290	529	46.0
49	555	0	286	2,938	1,170	49.0
50	282	1	177	1,670	680	65.0
51	78	6	39	390	160	53.0
52	103	11	68	683	280	56.5
53						26.5
54	189	142	136	1,425	557	39.5
55	883	475	493	5,150	2,020	37.0
56						26.5
57						24.5
58						28.5

## Qualifying URSA's

Qualifying Score = 33

Site #	Acres	Resource Acres	Buildable Acres	Capacity		Score
				HH	EMP	
59	47	47	27	104	461	35.0
60	280	140	136	850	1,842	33.5
61	27	0	16	163	67	61.5
62	255	213	168	1,684	690	48.5
64	191	0	110	1,148	448	59.0
65	449	201	319	3,206	1,306	51.0
66						30.0
67	406	48	109	1,009	410	52.0
68	67	0	20	210	78	60.5
69	14	14	8	82	33	40.5
70	28	28	15	153	63	47.0
71	28	26	17	175	72	45.0
72	23	20	11	112	46	41.5
	19,123	3,298	10,949	107,504	67,717	





Ranking		Urban Reserve Rule - Factor 3 <sup>1</sup>				Urban Reserve Rule - Factor 4 <sup>2</sup>		Urban Reserve Rule - Factor 5 <sup>3</sup>				Urban Reserve Rule - Factor 6 <sup>4</sup>	Urban Reserve Rule - Factor 7 <sup>5</sup>
Site #	Score	Utility Feasibility <sup>3</sup>	Road Network <sup>10</sup>	Traffic Congestion <sup>11</sup>	Schools <sup>12</sup>	Efficiency Factor <sup>13</sup>	Buildable Land <sup>14</sup>	Environmental Constraints <sup>15</sup>	Access to Centers <sup>16</sup>	Jobs/Housing Balance <sup>17</sup>		Agric. Retention Factor <sup>18</sup>	Agricultural Compatibility <sup>19</sup>
										Jobs Rich	Housing Rich		
39	33.5	0.0	1.0	1.5	5.0	9.0	9.0	4.0	0.5	1.5	0.0	0.0	2.0
40	43.5	0.0	1.5	1.5	2.0	7.0	7.0	3.0	0.0	1.5	0.0	10.0	10.0
41	33.0	2.5	3.0	1.5	2.0	6.0	6.0	2.5	0.0	1.5	0.0	4.0	4.0
42	64.5	2.5	3.5	1.5	2.5	8.0	8.0	3.5	1.5	1.5	0.0	16.0	16.0
43	58.0	0.0	1.0	2.0	4.5	7.0	6.0	2.5	1.5	1.5	0.0	14.0	18.0
44	40.5	3.5	1.0	2.0	2.0	3.0	3.0	2.0	0.5	1.5	0.0	6.0	6.0
45	46.5	3.5	4.0	2.0	3.0	7.0	7.0	3.5	0.5	1.5	0.0	12.0	8.0
46	49.5	2.5	3.5	2.0	2.0	6.0	6.0	3.0	1.5	1.5	0.0	12.0	12.0
47	54.5	3.5	1.0	1.5	3.5	4.0	4.0	2.5	4.0	1.5	0.0	14.0	10.0
48	46.0	3.0	1.0	1.5	0.5	6.0	6.0	4.0	2.5	1.5	0.0	18.0	18.0
49	49.0	3.5	3.0	1.5	1.0	7.0	8.0	4.0	4.0	4.5	0.0	14.0	8.0
50	65.0	3.5	1.5	1.5	1.5	6.0	7.0	4.0	2.5	1.5	0.0	14.0	10.0
51	53.0	3.5	5.0	2.0	2.5	4.0	3.0	2.0	4.5	4.5	0.0	18.0	18.0
52	56.5	4.0	3.0	2.0	4.0	7.0	8.0	4.0	4.0	4.5	0.0	14.0	8.0
53	26.5	4.0	1.0	2.0	1.0	6.0	5.0	2.0	1.0	4.5	0.0	10.0	6.0
54	39.5	4.0	1.5	2.0	3.0	9.0	9.0	4.0	2.5	4.5	0.0	0.0	0.0
55	37.0	4.0	1.5	2.0	4.0	6.0	5.0	2.5	3.5	4.5	0.0	0.0	0.0
56	26.5	3.5	1.0	5.0	1.5	5.0	3.0	1.5	1.5	4.5	0.0	2.0	2.0
57	24.5	3.0	2.0	5.0	4.5	1.0	0.0	0.0	0.5	4.5	0.0	0.0	0.0
58	28.5	4.0	1.0	5.0	2.0	6.0	4.0	1.5	0.5	4.5	0.0	2.0	2.0
59	35.0	3.5	1.0	5.0	3.0	6.0	5.0	2.5	2.5	4.5	0.0	0.0	0.0
60	33.5	4.0	2.0	5.0	1.5	4.0	3.0	1.5	2.0	4.5	0.0	0.0	2.0
61	61.5	2.5	1.5	5.0	3.0	7.0	6.0	3.0	5.0	4.5	0.0	4.0	2.0
62	48.5	3.5	2.5	5.0	1.0	8.0	8.0	3.5	4.5	4.5	0.0	12.0	12.0
64	59.0	3.5	4.0	5.0	3.5	5.0	5.0	3.5	4.0	1.5	0.0	4.0	4.0
65	51.0	4.0	2.5	3.0	2.5	7.0	6.0	3.0	3.5	1.5	0.0	14.0	10.0
66	30.0	2.5	1.5	3.0	0.5	4.0	2.0	1.0	4.0	1.5	0.0	10.0	8.0
67	52.0	3.0	1.5	3.0	2.5	0.0	0.0	0.5	4.0	1.5	0.0	4.0	6.0
68	60.5	3.5	4.5	3.0	3.0	0.0	0.0	0.5	4.5	1.5	0.0	18.0	18.0
69	40.5	1.0	1.0	1.0	0.5	5.0	6.0	3.0	3.5	1.5	0.0	20.0	20.0
70	47.0	1.0	1.5	1.0	0.5	5.0	5.0	2.5	3.0	1.5	0.0	4.0	14.0
71	45.0	1.0	2.5	1.0	0.5	7.0	7.0	3.5	3.0	1.5	0.0	12.0	14.0
72	41.5	0.5	5.0	1.0	0.5	3.0	3.0	2.0	3.0	1.5	0.0	6.0	12.0
												6.0	16.0

### Urban Reserve Ratings

Note: The higher the rating, the higher the suitability for urbanization.						Urban Reserve Rule - Factor 3 <sup>1</sup>				Urban Reserve Rule - Factor 4 <sup>2</sup>		Urban Reserve Rule - Factor 5 <sup>3</sup>				Urban Reserve Rule-Factor 6 <sup>4</sup>	Urban Reserve Rule-Factor 7 <sup>5</sup>
Site #	Acres	Resource Acres <sup>6</sup>	Buildable Acres <sup>7</sup>	Capacity <sup>8</sup>		Utility Feasibility <sup>9</sup>	Road Network <sup>10</sup>	Traffic Congestion <sup>11</sup>	Schools <sup>12</sup>	Efficiency Factor <sup>13</sup>	Buildable Land <sup>14</sup>	Environmental Constraints <sup>15</sup>	Access to Centers <sup>16</sup>	Jobs/Housing Balance <sup>17</sup>		Agric. Retention Factor <sup>18</sup>	Agricultural Compatibility <sup>19</sup>
				DU	EMP									Jobs Rich	Housing Rich		
1	534.8	162.7	257	2,361	1,744	6	6	7	3	4	3	4	3	0	10	6	4
2	417.7	121.1	241	2,412	983	4	4	7	2	6	6	4	3	0	10	7	5
3	8.0	7.7	1	6	2	0	2	7	1	0	0	6	3	0	10	2	6
4	123.9	0.0	30	325	121	8	3	3	8	0	0	0	0	0	10	9	9
5	1,371.4	48.5	759	8,148	7,344	9	5	3	7	5	5	6	9	0	10	8	7
6	1,797.2	221.5	1,158	11,750	8,875	7	6	3	2	7	7	7	9	0	10	8	6
7	412.7	0.6	249	2,522	1,584	7	5	3	1	6	6	7	4	0	3	9	8
8	429.0	0.1	274	2,910	6,182	6	8	3	1	6	7	7	4	0	3	8	7
9	435.5	3.1	275	2,487	2,291	4	4	3	1	7	7	8	5	0	3	8	6
10	134.5	0.0	82	824	338	5	2	3	1	5	7	7	2	0	3	7	7
11	435.5	48.8	296	3,271	1,802	8	6	3	1	8	8	8	4	0	3	8	6
12	194.9	0.0	45	454	186	5	3	3	1	0	0	8	5	0	3	7	6
13	66.5	0.0	31	305	125	4	10	3	1	3	3	0	1	0	3	8	7
14	233.2	0.0	154	1,791	924	7	4	2	4	8	8	3	4	0	3	8	5
15	347.3	0.0	200	1,999	819	5	3	2	4	5	6	7	5	0	3	8	6
16	15.2	0.0	2	16	7	0	2	2	4	0	0	6	8	0	3	7	7
17	153.5	0.0	105	1,108	431	6	7	4	6	8	8	0	9	0	3	8	9
18	128.1	7.0	91	938	374	4	6	4	2	9	9	8	9	0	3	7	7
19	9.3	0.0	6	58	24	4	3	4	8	6	7	8	5	0	3	7	6
20	159.6	3.0	106	783	308	8	10	4	9	8	8	8	9	0	3	6	9
21	11.7	10.1	6	7	1	2	5	4	10	3	8	7	8	0	3	8	7
22	322.4	0.0	222	2,219	910	7	5	4	8	8	4	5	10	0	3	1	5
23	22.7	0.0	16	160	65	4	3	4	10	8	8	8	4	0	3	7	7
24	212.5	0.0	140	1,401	574	7	2	4	9	7	9	8	4	0	3	5	6
25	969.9	0.0	677	5,777	4,949	7	6	1	7	8	8	8	3	0	3	6	6
26	1,964.7	0.2	1,060	9,569	6,592	6	4	1	3	4	8	8	1	0	3	8	7
27	18.8	13.0	12	120	49	4	2	1	9	7	5	6	0	0	3	7	6
28	55.1	50.7	34	334	137	8	7	1	6	6	7	8	6	0	3	2	7
29	188.0	0.0	120	1,184	484	8	4	1	4	6	7	8	6	0	3	1	6
30	138.7	0.0	78	780	320	3	3	7	6	5	7	8	4	0	3	8	8
31	735.6	615.1	407	4,072	1,669	5	5	9	6	5	5	6	10	0	3	7	7
32	87.4	76.0	57	573	235	4	5	9	8	7	5	6	5	3	0	3	3
33	338.4	71.6	149	1,490	611	6	8	9	9	2	8	7	9	3	0	4	5
34	756.5	0.3	305	2,822	1,738	6	8	9	9	2	2	3	5	3	0	7	7
35	48.1	1.6	31	314	129	0	7	3	2	8	1	2	6	3	0	7	4
36	33.2	0.0	7	72	29	4	2	3	6	0	8	8	4	3	0	3	3
37	145.5	0.0	94	974	386	7	4	3	9	7	0	0	1	3	0	8	8
38	41.7	41.2	30	320	123	4	4	3	9	9	8	7	3	3	0	7	5
39	13.2	10.4	10	105	39	0	2	3	10	9	9	8	1	3	0	1	1

### Urban Reserve Ratings

Note: The higher the rating, the higher the suitability for urbanization.						Urban Reserve Rule - Factor 3 <sup>1</sup>				Urban Reserve Rule - Factor 4 <sup>2</sup>		Urban Reserve Rule - Factor 5 <sup>3</sup>				Urban Reserve Rule - Factor 6 <sup>4</sup>		Urban Reserve Rule - Factor 7 <sup>5</sup>
Site #	Acres	Resource Acres <sup>6</sup>	Buildable Acres <sup>7</sup>	Capacity <sup>8</sup>		Utility Feasibility <sup>9</sup>	Road Network <sup>10</sup>	Traffic Congestion <sup>11</sup>	Schools <sup>12</sup>	Efficiency Factor <sup>13</sup>	Buildable Land <sup>14</sup>	Environmental Constraints <sup>15</sup>	Access to Centers <sup>16</sup>	Jobs/Housing Balance <sup>17</sup>		Agric. Retention Factor <sup>18</sup>	Agricultural Compatibility <sup>19</sup>	
				DU	EMP									Jobs Rich	Housing Rich			
40	35.5	11.9	22	218	90	0	3	3	4	7	7	6	0	3	0	5	5	
41	418.8	285.5	240	2,561	985	5	6	3	4	6	6	5	0	3	0	2	2	
42	243.2	0.0	164	1,773	673	5	7	3	5	8	8	7	3	3	0	8	8	
43	10.7	0.0	6	62	25	0	2	4	9	7	6	5	3	3	0	7	9	
44	162.2	113.8	89	430	155	7	2	4	4	8	7	6	1	3	0	3	3	
45	432.4	0.0	207	2,073	850	7	8	4	6	3	3	4	1	3	0	7	5	
46	111.6	6.2	72	722	296	5	7	4	4	7	7	7	1	3	0	6	4	
47	80.5	0.0	47	473	194	7	2	3	7	6	6	6	9	3	0	6	6	
48	218.4	0.0	129	1,290	529	6	2	3	1	6	6	6	3	3	0	6	5	
49	555.5	0.0	286	2,938	1,170	7	6	3	2	4	4	5	8	3	0	7	5	
50	281.8	0.9	177	1,670	680	7	3	3	3	6	7	8	5	3	0	9	9	
51	78.0	6.2	39	390	160	7	10	4	5	4	3	4	9	9	0	7	4	
52	102.8	11.2	68	683	280	8	6	4	8	7	8	8	8	9	0	5	3	
53	204.2	183.0	114	1,136	466	8	2	4	2	6	5	4	2	9	0	0	0	
54	189.1	142.4	136	1,425	557	8	3	4	6	9	9	8	5	9	0	0	0	
55	882.8	475.4	493	5,150	2,020	8	3	4	8	6	5	5	7	9	0	1	1	
56	48.2	48.3	23	231	95	7	2	10	3	5	3	3	3	9	0	0	0	
57	77.1	64.1	23	229	94	6	4	10	9	1	0	0	1	9	0	1	1	
58	526.8	513.7	274	1,242	4,392	8	2	10	4	6	4	3	1	9	0	0	0	
59	46.7	46.9	27	104	461	7	2	10	6	6	5	5	5	9	0	0	1	
60	279.8	140.5	136	850	1,842	8	4	10	3	4	3	3	4	9	0	2	1	
61	27.2	0.0	16	163	67	5	3	10	6	7	6	6	10	9	0	6	6	
62	255.0	212.9	168	1,684	690	7	5	10	2	8	8	7	9	9	0	2	2	
64	191.4	0.0	110	1,148	448	7	8	10	7	5	5	7	8	3	0	7	5	
65	448.9	200.8	319	3,206	1,306	8	5	6	5	7	6	6	7	3	0	5	4	
66	62.1	61.4	27	273	112	5	3	6	1	4	2	2	8	3	0	2	3	
67	406.0	48.2	109	1,009	410	6	3	6	5	0	0	1	8	3	0	9	9	
68	67.5	0.0	20	210	78	7	9	6	6	0	0	1	9	3	0	10	10	
69	14.2	14.4	8	82	33	2	2	2	1	5	6	6	7	3	0	2	7	
70	28.4	28.3	15	153	63	2	3	2	1	5	5	5	6	3	0	6	7	
71	27.5	25.7	17	175	72	2	5	2	1	7	7	7	6	3	0	3	6	
72	23.3	20.3	11	112	46	1	10	2	1	3	3	4	6	3	0	3	8	
TOTAL	20,049	4,176	11,410	110,622	72,845													

112196-290

**EXHIBIT**

February 11, 1997

Presiding Officer Kvistad  
METRO  
600 N.E. Grand Ave.  
Portland, OR 97232-2736

Dear Presiding Officer Kvistad and Council:

In 1986, our family purchased 20 acres on Whitten Lane which is located off Rosemont Rd. At that time, we did not know we would be referred to as "North Stafford Triangle" landowners.

Upon purchasing the acreage, we put in a well--almost 500' deep, and planted 1700 Asian Pear trees on a south-west slope which occupies approximately 7 acres. We also hired a Hood River irrigation firm with considerable experience in dealing with hillsides to install a drip irrigation system. We knew the soil was not the best--heavy clay--but were assured by various orchard experts that with proper feeding and water this variety of pear tree would grow. They did--until about 1989.

In 1989, we experienced a definite problem. The leaves turned yellow and the trees were defoliating! We sent a soil and leaf sample to Oregon State University's Agriculture School. Their analysis and recommendation was to apply 5 to 6 pounds of magnesium to each tree. We did this and the trees improved. We have since continued with a well balanced fertilizer twice a year and several foliar sprays during the growing season which includes small amounts of calcium.

During this time, we built a large barn to facilitate the storing of boxes, equipment, packing of fruit and to house a large cooler. We also purchased a four-wheel drive tractor, sprayer and mowing equipment--all necessary to growing and harvesting fruit. Also during this period we joined forces with seven other growers to form an Asian Pear Cooperative. The other growers are mainly located in the Woodburn, Salem, Dayton and McMinnville areas. We are the closest to the Portland Metropolitan area and freeways. Everything seemed to be proceeding as planned except for deer, mole and Codling Moth problems. However, these are typical of orchards and are to be expected.

In 1993, we experienced a major setback; a problem that we never imagined could happen! We were not able to supply

1050-380

EXHIBIT

enough water to reach all the trees! Approximately 400 trees were without any water! The company who put in the well advised replacing the pump. This did not solve our problem. My husband crimped off other water lines at intervals to save these trees. The next season, we drilled a second well with a larger casing to accommodate a larger pump. Last season, 1996, we went back to the Hood River Irrigation firm and they suggested that before we invest in yet another pump, we should install a meter to measure the flow of water at the well head. We monitored the flow for several months and found a consistent 20 gallons per minute. This amount is not adequate for the now mature-sized trees. We then installed an auxiliary pump which saved the trees but has not solved the water problem.

Our trees are now at full production and should now have a double drip line and they only have one because of the low water capacity. We could not harvest the fruit on the trees we saved. Without adequate water they were far too small for commercial use.

I am very proud of the success I have had in selling and promoting Oregon grown Asian Pears. We sold every box of packed fruit this 1996 season. We are a recognized Coop in the United States and Canada and have shipped to Hawaii. We had requests for containers of fruit to be shipped to Holland as a result of my participation in the 1996 Oregon Department of Agriculture booth at the Produce Trade Show in Atlanta, GA. As Sales and Marketing Director for our Coop, I have finally reached one of my two goals which I set several years ago. That was to sell all the fruit the Coop grew. Unfortunately, my other goal has never been met-- to expand our orchard. I will continue to sell and promote Oregon Asian Pears, but it is impossible for our family to expand our plantings. We simply do not have enough water in the aquifer to meet the current needs of our trees and to plant additional trees would be foolhardy.

I decided to write this letter because it seemed as though no one was asking or talking to anyone who is actually attempting to farm in this area. In addition to our water problems, we have discovered in order to be successful in any produce venture, you must be able to get your product to market. Our land is located near I-5 and 205--excellent location for transportation of produce. However, Whitten Lane, a Clackamas County road, is not wide enough for a semi-truck to reach our packing shed and has overhead utilities which do not give adequate overhead clearance. Farming involves transportation! We were inexperienced and naive when we started this venture. It seems ironic that the land in the "North Stafford Triangle" that the City of Lake Oswego owns has the best semi-truck access. We currently transport our fruit by pickup truck to our Dayton grower who can accommodate 54' Semi Trailers. I guess I

should be happy that we now have sales which fill full semi loads to places like Toronto and New York City; but I am not! Our family can not expand; we have reached maximum production--7 acres out of 20 acres possible. We now know that this area is not productive farm land! We certainly have tried!

As members of the Rosemont Property Owners Association, we would like our land to go into the Urban Reserve. We would now like to be involved in the future development of this region and to do our best to contribute to the quality of life in this area. We want to continue living here and to share it with future generations.

I wish to thank you and the other Council members for your many hours of work and dedication to goals and difficult decisions.

Sincerely,

*Judy Eselius*  
Judy Eselius  
Skycrest Orchards

cc: Councilor McClain  
Councilor McKay  
Councilor McFarland  
Councilor Morrisette  
Councilor Naito  
Councilor Washington

TO: David  
FROM: Judy Eselius  
DATE: February 11, 1997

Please distribute this letter to each Metro Councilor.

Thank you!!!

Total Pages: 4 (including cover letter)



112196-291



# Independent Living Resources

**EXHIBIT**

4506 SE Belmont Street • Portland, Oregon 97215-1658

(503) 232-7411 • (503) 232-8408 TTY • (503) 232-7480 FAX

February 11, 1997

Mr. Jon Kvistad  
Presiding Officer  
METRO Council  
600 NE Grand Avenue  
Portland, OR. 97232

Dear Mr. Kvistad,

ILR represents persons with disabilities in housing related issues and activities throughout the greater Metropolitan area. We have followed with interest the proceedings by METRO and the interested residents of Oregon. The Urban Reserves policies adopted will impact housing costs far into the future.

As a housing advocate for accessible, low income housing, ILR would like to recommend that METRO adopt language and policy that promotes the development and inclusion of low income housing in all future housing developments sited on Urban Reserve lands.

Our research into other land use planning policy has shown that incorporating language that mandates "inclusionary zoning and high density" housing in urban reserve development is essential. Without this language and the mandates/incentives to insure these regulations, many areas simply "overlook" this requirement.

We urge you to consider the housing needs of the low income in METRO's housing and land use plans for our future. Opportunity to incorporate low income multi family and single family housing into future developments will provide Oregonians with a livable future. This future will be less in danger of urban blight and slums.

Thank You,

Jane Fortin  
Housing Specialist



# Independent Living Resources

4506 SE Belmont Street • Portland, Oregon 97215-1658

(503) 232-7411 • (503) 232-8408 TTY • (503) 232-7480 FAX

### FAX TRANSMISSION

DATE 2/11/97

# OF PAGES 2

TO Metro Councilors.

PHONE 797-1797 FAX # \_\_\_\_\_

FROM: Jane Fortin, Housing Specialist

PHONE: 232-7411 fax 232-7480 voice mail 650-7104

NOTES written public testimony

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Mrs. Andrew M. Klein  
645 Meadow View  
Forest Grove, Oregon 97116

112196 - 292

EXHIBIT

February 10, 1997

TO METRO COUNCILORS

c/o MTIP Comments  
Metro Transportation Department  
600 NE Grand Avenue  
Portland, Or 97232

Gentlemen and Ladies:

There are a lot of people in Forest Grove and the surrounding area concerned about the threat of your taking away our long hoped for, long worked for, long promised removal of log trucks and other large Highway 47 commercial transports still traveling through our central downtown streets. Logs have been dumped on the corner of Pacific and Council Street--on an offset and difficult street to access, particularly with citizens and school children and shops in close proximity. There have been other spills and accidents along our main thoroughfare.

It was way back in about 1972 when many of us became involved in trying to solve this dangerous, noisy, smelly, scary problem. I was beginning my 20 years on the school board then, worried about school children crossing and walking along with huge trucks trying to make the corners. Since then, I have worked as a member of the Downtown Business Association and the Economic Development Commission and we finally got attention at the state level and approval and financing for the MSTIP. The funds were approved, were there, and have been pulled, repromised, and now endangered again by Metro.

You need Forest Grove in your Metro area for our taxes and, it now seems, for a place for higher density housing without any Urban Growth Reserve so that we might have some hope of providing jobs, schools and safe streets for the greater population. We have long been a desirable community with strong businesses, good schools, good police and fire departments, a great University, and good and involved people. We do not want to become a ghetto with green land for you "in the City" to enjoy--we want to continue to be a strong, pulsating, worthwhile community. My understanding is that several of you have never set foot in Forest Grove. If you do, watch out for the log trucks!

Please don't deny us this little bit of a safety factor for our children and our community.

Very truly yours,

*Barbara Klein*



HOUSING ADVOCACY GROUP  
1001 SW BASELINE ST. EXHIBIT  
HILLSBORO, OR, 97123  
(503) 693-3257

February 10, 1997

Jon Kvistad--Presiding Officer  
Metro Council  
600 NE Grand  
Portland, OR 97232-2736

Dear Councilor Kvistad:

I am writing on behalf of the Housing Advocacy Group (HAG) of Washington County, a coalition that advocates for an increase in the supply of affordable housing and for a stable continuum of housing services for low income people. The group is made up of social service agencies, nonprofit housing developers, and concerned citizens. The purpose of our letter is to urge you to include a mandatory inclusionary housing policy in the urban reserve planning process in order to generate more affordable housing and to help control land speculation. We support the inclusionary housing language suggested by the Coalition for a Livable Future in their proposed amendments to the Metro Code [2/6/97 Memo regarding Metro Code Section 3.01.012 (e)].

Washington County and the Metro area as a whole are facing an affordable housing crisis that we can no longer ignore. Rental housing is unaffordable for 31% of all of Washington County and according to the National Home Builders Association, Portland is second on the list of least affordable cities to buy a house. The current Washington County Community Development Block Grant Plan states that "there is general agreement that the lack of affordable housing is one of the greatest crises facing the County. It is estimated that to purchase an affordable house in the County, a median income family would need to provide a down payment of \$30,000. In addition, a family would need to earn over \$10.40 per hour, to afford average rent within the County." Clearly, the market is not taking care of the housing/cost balance on its own and with welfare reform and impending housing cuts at the federal level, the situation for low income people is only going to get worse.

The Metro Council has the power to take a significant step towards addressing housing affordability by beginning to implement a mandatory inclusionary housing policy. Adopting the proposed code amendments submitted by the Coalition for a Livable Future would increase the supply of affordable housing and help control land speculation. A mandatory inclusionary housing policy would require that any residential development of more than 20 units ensure that 15-25% of the units in the development are affordable to people at a pre-designated percentage of the area median income. In Montgomery County, Maryland, their Moderately Priced Dwelling Unit (MPDU) program has generated over 8,000 units since 1976. In addition to being a remarkable success story, the MPDU program, as well as others, provide us with some

- Kate Allen Willis  
\*Housing Partners
- Liora Berry  
\*Community Action Organization
- Renee Bruce  
\*Community Action Organization
- Kathe Coleman  
\*Beyond Barriers
- Sue Cramer  
\*The Boys & Girls Aid Society of Oregon
- Loren Dixon  
\*Housing Development Corporation of Washington County
- Russ Dondero  
\*Pacific University
- Bill Faricy  
\*Homestreet
- Topaz Faulkner  
\*Wain Valley Housing Partners
- Jane Fortin  
\*Independent Living Resources
- Verla Fuller  
\*Housing Services of Oregon
- Anna Geller
- Renita Gerard  
\*Christmas in April
- José Gonzalez  
\*Housing Development Corporation of Washington County
- Sheila Greenlaw-Fink  
\*Community Partners for Affordable Housing
- Connie Hzas  
\*Domestic Violence Resource Center
- Diane Hess  
\*Community Action Organization
- Leon Laptook  
\*Community Action Organization
- Peggy Lynch  
\*Citizen Advocate
- Bob Majhor  
\*Fifth Avenue Plaza
- Mike Moriarty  
\*Northwest Housing Alternatives
- Christina Pickle  
\*Community Action Organization
- Susie Wright

(Names for identification purposes only)

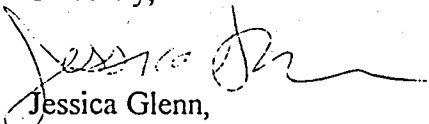
valuable information for instituting a mandatory inclusionary housing policy in the Portland Metro region.

Another benefit of a mandatory inclusionary housing policy is that if developers know ahead of time that they will be required to produce a percentage of affordable units, they will have to figure those costs into their budgets. Land speculation is already occurring, driving up land prices and affecting the overall cost of developing housing. Careful urban reserve planning can curb this trend because developers will be able to analyze their cost burdens before bidding on land.

The Council is currently facing a difficult and critical decision about the designation of urban reserves. In the past, you have made some remarkable steps towards developing a fair share of affordable housing throughout the region. The inclusion of Title 7 in the Functional Plan reflects your understanding of the needs of the diverse Metro Community. The Urban Reserves decision is an excellent place to begin to implement the concept of a fair share of affordable housing. We commend you for your efforts and urge you to continue to make decisions that will allow us all to live in a sustainable and equitable urban region.

Thank you for your time and attention to this important matter.

Sincerely,

  
Jessica Glenn,  
Representative of the  
Housing Advocacy Group

cc: Councilor Ruth McFarland  
Councilor Don Morissette  
Councilor Susan McLain  
Councilor Ed Washington  
Councilor Lisa Naito  
Councilor Patricia McCaig

112196-295  
EXHIBIT

0668 SW Palatine Hill Road  
Portland OR 97219  
10 Fe 1997

Mr. Jon Kvistad Chairman  
Metro Board of Commissioners  
600 NE Grand  
Portland OR 97232

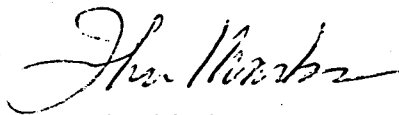
Dear Mr. Kvistad:

I am disturbed that the Metro Board is considering designating lands beyond the present UGB for urban growth. Public opinion seems overwhelmingly to favor holding present limits and reducing sprawl and commuter congestion.

It is particularly troubling to find that the nproposal would sacrifice prime agricultural and some of our forest land to this urban growth. We need to fill in, make more diverse neighborhoods, and find places where people can live together close to work and services. We don't need more suburban stretches inadequately served and without roots except in the automobile.

I hope you and the other commissssioners will hold fast to the present UGB and resist pressure to compound our problems by sprawling further outwards.

Sincerely,



John Marks

February 11, 1997

Jon Kvistad, Councilor  
METRO  
600 NE Grand Ave.  
Portland, OR 97232

Dear Councilor,

Much is being said about the Urban Growth Boundary, whether land should be developed, who will profit, what will be lost. Such matters of justice are important.

However, at the center of our discussion should be the fact that Earth sustains us...that humans as the dominant creature have a much broader responsibility than determining ownership (a concept of our own invention).

It is not just quality of life but life **itself** that is at stake for **all** life forms. We must realize that soil, water and air are crucial elements within a complex system. We must consider our impact upon this system.

Please, let us consider carefully. Consider the history of humankind in Earth destructive behavior. Consider future generations.

**Do not expand the Urban Growth Boundary.** Vote for limited Urban Reserve, as Executive Officer Mike Burton recommends.

This will allow time to thoughtfully plan wise use of land, air and water resources. If we move too far too fast... it cannot be undone.

Yours in concern for a sustainable region,

*Martha R. Westgate*  
*John W. Westgate*

233 SE 45th Ave.  
Portland, OR 97215

Phone: 233-0147



January 15, 1997  
John Kvistad  
Metro Regional Center  
600 NE Grand Ave.  
Portland, OR 97232

Shane + Lisa Musselwhite  
9330 SE Hideaway Ct.  
Gresham, OR. 97080  
492-5528

112196-297

## EXHIBIT

Dear Jon Kvistad,

I am writing in regards to the attached letter and information gathered by our neighbors, Stan + Ann Hymel.

We are very concerned about our inclusion in the Urban Reserves designated by Metro Council.

For one we have not even been kept informed or updated by anyone, of this process or of any meetings scheduled.

Also, our property is part of a national wet lands area. Every winter we have so much water running through our property, with many springs bubbling up from the ground, and alot of flooding on our neighbors properties as well. It wouldn't even be a good area for Urban growth. The wildlife here would be driven off or worse destroyed.

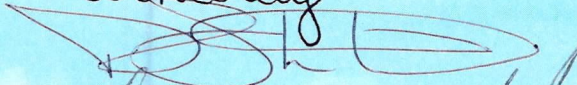
We ask that you please review this information. We don't understand how our area even got included in the Urban growth area, unless the wetlands were simply overlooked.

Please reconsider the standing of our area here. We ask and hope you will see that the best action to take will be to remove our area from the Urban reserves.

Any information you may have on this would be so appreciated. Please call us at 492-5528 and let us know if we can be taken off the Urban reserves map.

Thank you so much for your time and efforts.

Sincerely

  
Shane + Lisa Musselwhite



Stan & Ann Hymel  
9355 SE Hide-a-way Court  
Gresham, OR 97080

January 10, 1997

Ruth McFarland  
Metro Councilor  
Metro Regional Center  
600 NE Grand Avenue  
Portland, Oregon 97232

Dear Councilor McFarland:

We recently received the maps of the proposed urban reserves designated by Metro Council vote on December 12, 1996. We are very upset and concerned by the inclusion of the land highlighted on Map #2 (see attached).

This area is in the National Wetlands Inventory (see attached National Wetlands Inventory map). The type of wetlands identified were palustrine forested wetland (PFO1W) and palustrine forested/aquatic bed (PFO/AB5Y). Our understanding from articles we read and workshops we attended were sites such as these were going to be excluded from consideration due to the unique nature of the sites. Inclusion of this area appears to be a grave oversight on the part of the council and we request you exclude this area prior to finalizing the urban reserves at your February vote. This site has been identified as a wetland area and it should be protected from urbanization. The best way to ensure this is to avoid placing it in peril by designating it as urban reserve. Given the site is at the extreme edge of the proposed reserve boundary on Map #2, removal of this area can be easily accomplished. The total area is under 30 acres so it will not dramatically change the acreage you are trying to bring into reserve.

Wetlands such as this are critical to maintaining the character of Oregon. We have ducks, muskrats, beavers, herons, deer and a host of other wildlife using this area. Developing these wetlands and/or the surrounding areas would be a mistake.

The creek which we have highlighted in pink is known as Sunshine Creek and connects with Johnson Creek, which we have highlighted in blue. Johnson Creek experiences severe flooding every year. Further development in the Johnson Creek drainage should be avoided to prevent even worse flooding in future years. Wetlands and the associated flood plains serve as a buffer to minimize stream flow during high water. With predictions that the Portland area is about to experience a 20 year wet period, every effort should be made to preserve existing wetlands and flood plains.

Once again we want to stress our desire that you carve out the highlighted area from the urban reserves due to the fact a large portion is designated wetlands or its flood plain. This could be easily accomplished since it is in a corner, at the extreme edge of proposed urban reserves. The road leading to the site is a private gravel road that is maintained by the residents not the county, thus development of the area would be extremely expensive and due to the small amount of land that is actually buildable, development will probably not be very feasible.

Please give this area careful consideration and remove it from the urban reserves. We would appreciate a phone call so we know you have had a chance to review this, to find out what your decision is and to be notified as to the time and place of the February vote so we can attend. Stan can be reached at work at 255-4900 and our home number is 667-4735.

Sincerely,

Sincerely,

Stan Hymel

Ann Hymel

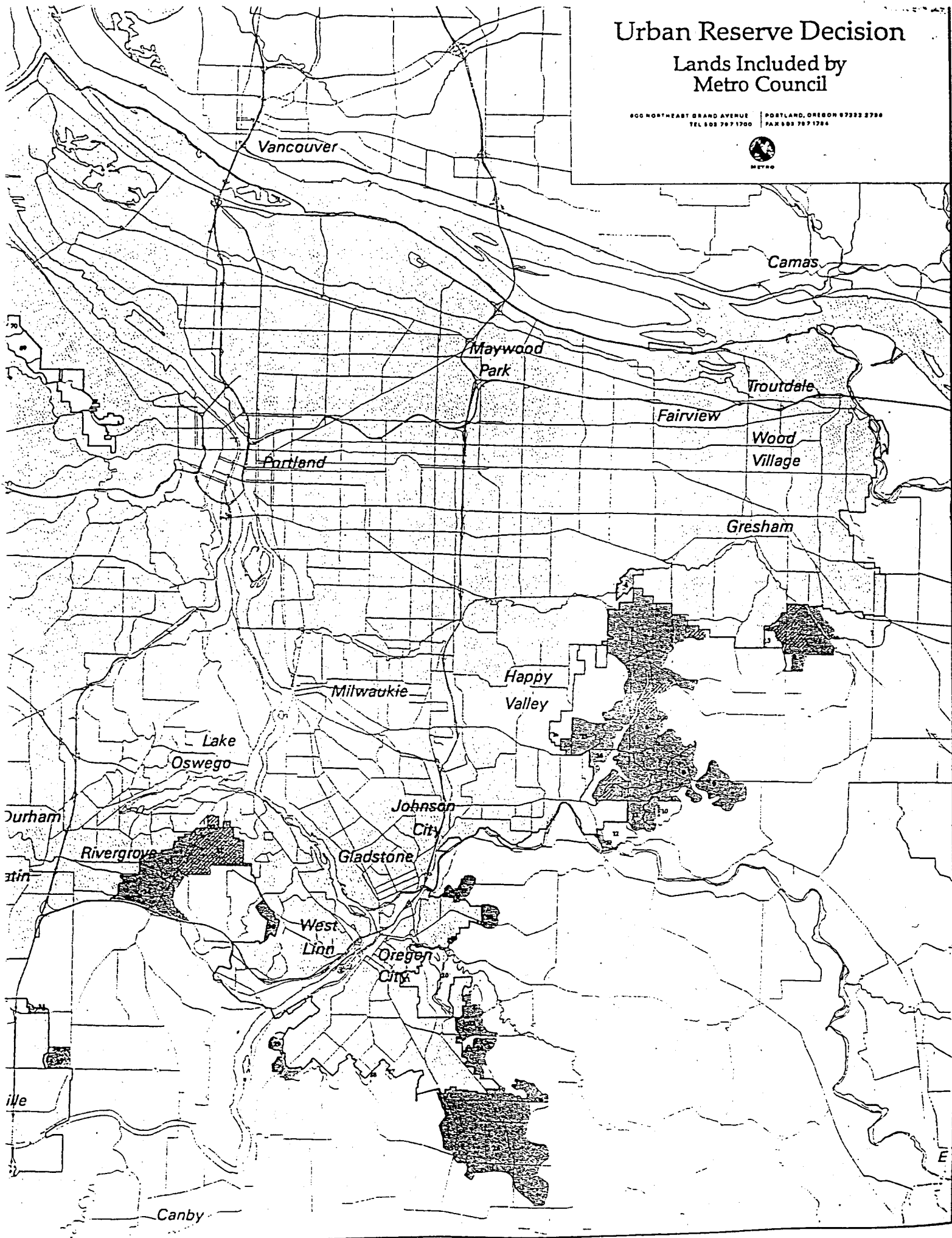
cc 1000 Friends of Oregon  
Johnson Creek Watershed Council  
Metro Legal Council  
Metro Policy Advisory Committee  
Carol Kraiger, Metro staff  
Patricia McCaig

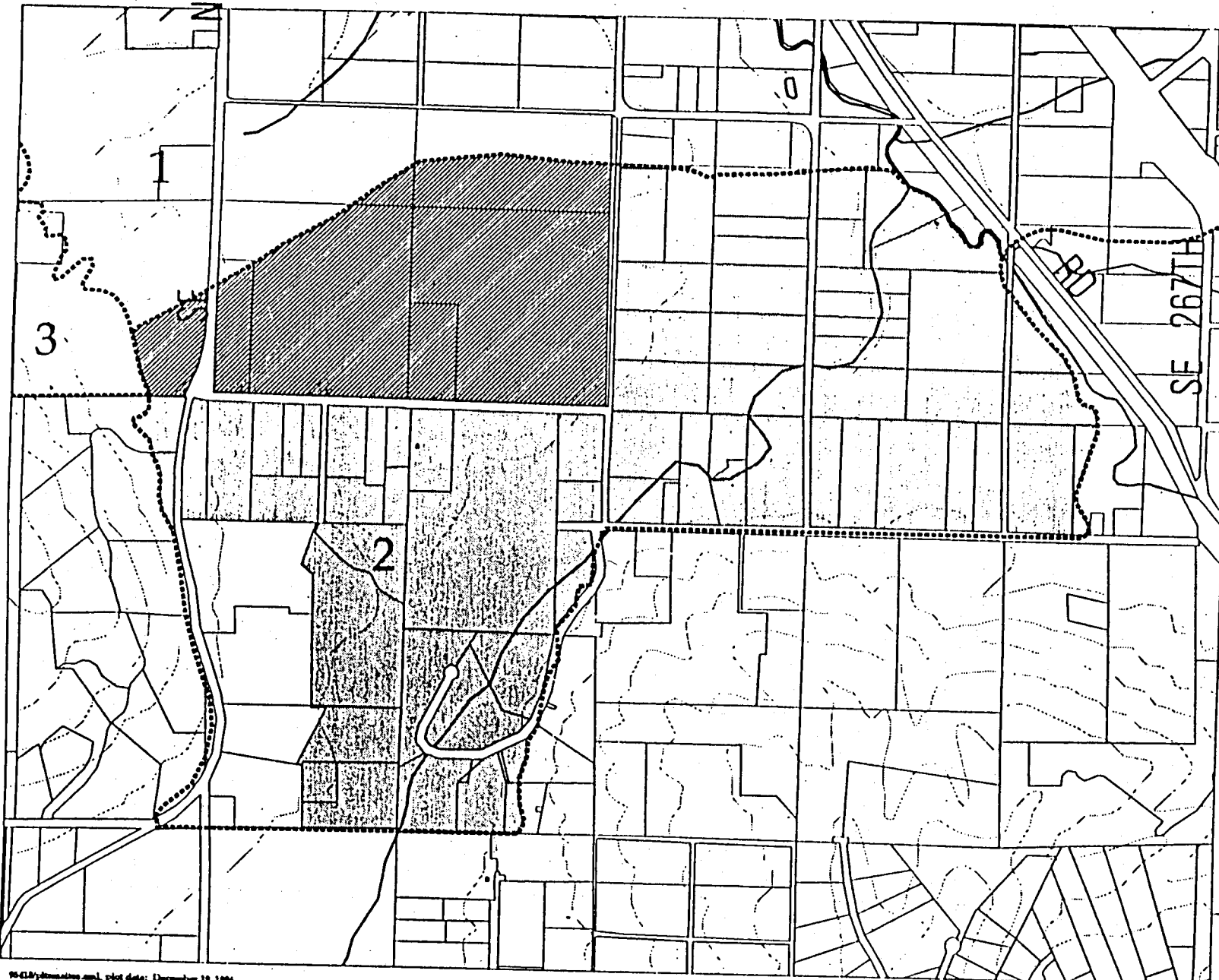
Jon Kvistad  
Susan McLain  
Don Morrisette  
Ed Washington  
Lisa Naito

# Urban Reserve Decision

## Lands Included by Metro Council

800 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232-2794  
TEL 503 767 1700 | FAX 503 767 1764





R L I S

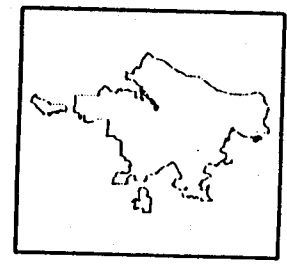
Regional Land Information System

# Urban Reserves

Designated By  
Metro Council Vote 12-12-96

- ..... Land in Reserves
- ▨ EFU Land in Reserves
- ..... Original Study Area Boundary
- Urban Growth Boundary

## MAP #2



600 NE Grand Ave  
Portland, OR 97232-2736  
(503) 797-1742



95-0287 information and plot date: December 19, 1996

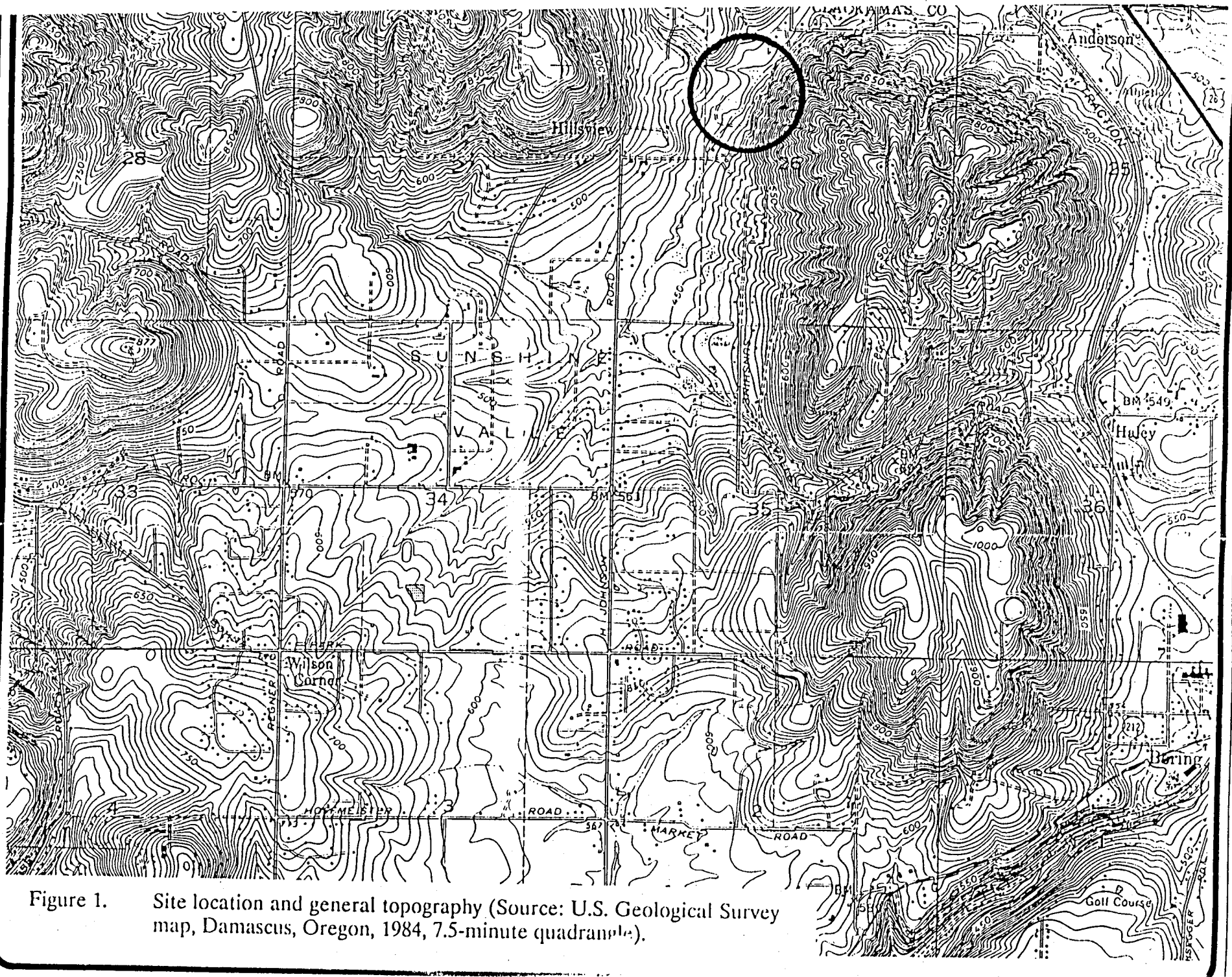


Figure 1. Site location and general topography (Source: U.S. Geological Survey map, Damascus, Oregon, 1984, 7.5-minute quadrangle).





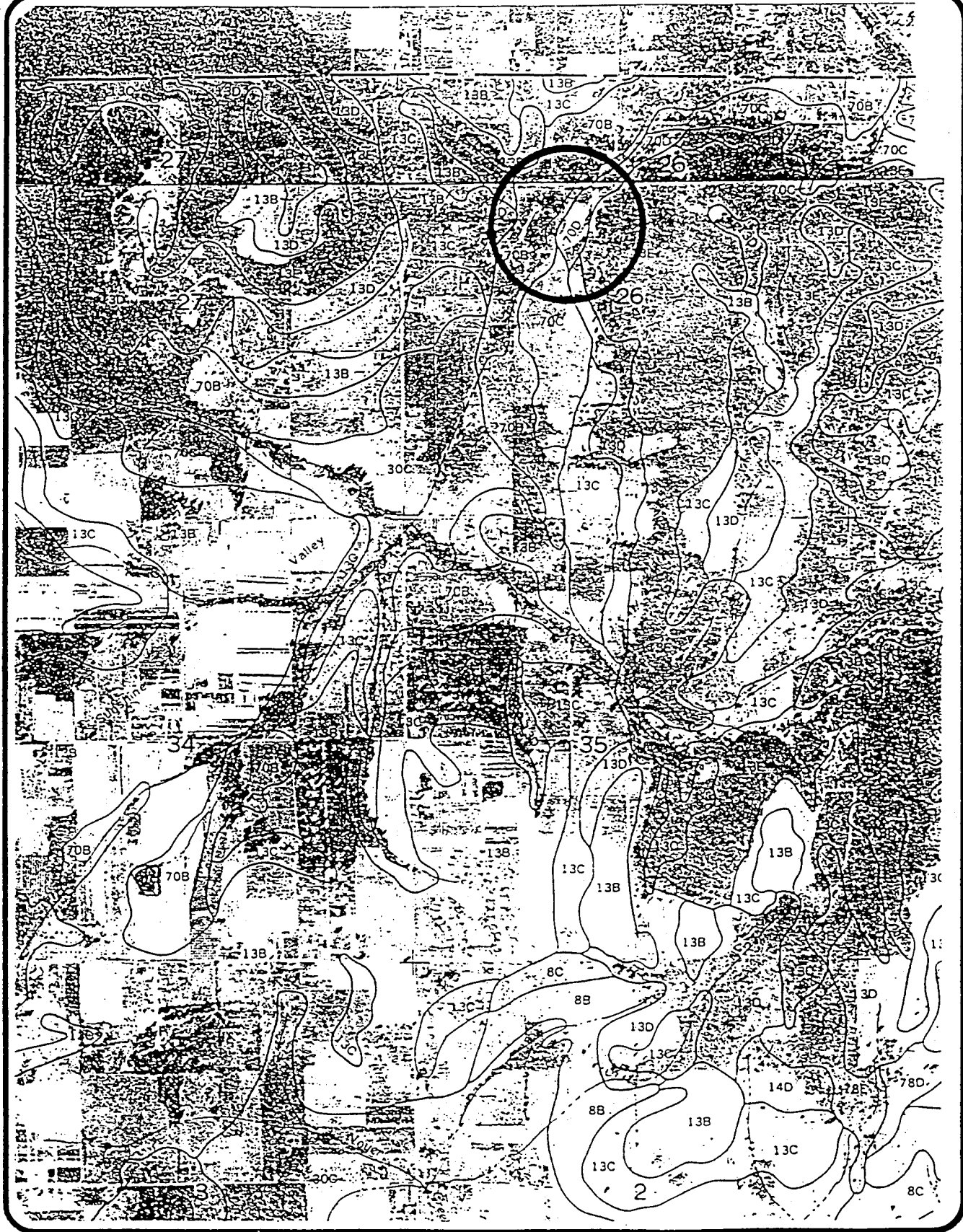


Figure 2. Site soils (source: U.S. Soil Conservation Service Soil Survey of Clackamas County, Oregon, 1985).

26185 NW Evergreen Road  
Hillsboro, OR 97124  
February 9, 1997

Councilor Susan McLain  
District 4  
600 NE Grand Ave.  
Portland, OR 97232

Dear Councilor:

We strongly urge you to adopt a moratorium on the decision for URSA inclusions. In my opinion a number of issues have yet to be evaluated before we make irrevocable decisions to convert land resources from agricultural uses. After all, we've spent millions of dollars on the Spotted Owl issue, is the conversion of farmland any less significant?

It appears to me that the criteria used for selection of URSAs are deficient. No where in these documents do I see weight given to the impact of the URSA change on the individual property owner. Without this consideration would this process not be considered a "takings?"

The need for expansion of the UGB is based in large part on projected population growth. Recent changes in economic conditions, the Fujitsu tax incentive reversal in Gresham among them, lead me to question the validity of these planning models. We have yet to witness a business cycle in the heavy industry (read high tech) upon which our area is so heavily dependent thus our planning models are probably overly optimistic.

A 260 acre parcel of EFU land west of Shute Road has been recently described as becoming part of an URSA in Washington County. I've watched, for the last twenty years, this parcel and several thousand adjacent acres grow abundant agricultural crops. However, the split second decision of the Hillsboro planning director converted this land into industrial zoning. As far as I can tell this parcel is outside the Hillsboro City Limits. I believe there are too many unelected officials making too many decisions with too much impact on residents without adequate accountability.

There are at least four major constituencies in the local planning process: 1. The well publicized agricultural industry, 2. The carefully nurtured Industrial/Business complex, 3. The well financed developers and 4. All the rest of us. Although comparatively invisible, we are still stakeholders in our Oregon and we particularly need your full time support and representation.

Thank you,



Henry & Anita Oberhelman

cc:

Mike Burton, Metro Executive Officer  
✓ Jon Kvistad, Metro Presiding Officer  
Linda Peters, Washington County Commission Chair



112196- 299

Feb. 4, 1997

EXHIBIT

**Mr. John Kvistad, Presiding Officer, and  
Members Of The Metro Council  
600 NE Grand Avenue  
Portland, Ore. 97132**

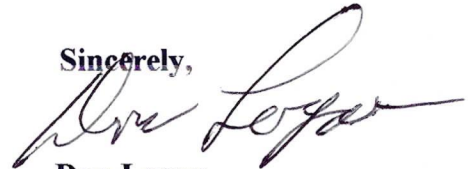
**Re: Metro Urban Reserves**

**Dear Presiding Officer Kvistad and Members of the Metro Council:**

**Washington County Farm Bureau represents the agricultural industry in Washington County, our policies come from the Oregon Farm Bureau, an organization consisting of county Farm Bureaus statewide. Our policy on land use is the following: We support the principle of land use planning for the purpose of protecting the resources and the agricultural environment and infrastructure needed for farmers and ranchers to produce food and fibre for current and future generations in a profitable manner. We are philosophically opposed to efforts to remove productive farm and forest land from farm or forest zones.**

**Our county Bureau has been very active, not only voicing our policy, We were represented on the Urban Growth Management Plan Policy Advisory Committee, one of the committees responsible for the RUGGO's. The RUGGO's process was an arduous task, the result that all the parties involved agreed on, was we needed to look at growth differently. The RUGGO's were adopted in September of 1991, those Goals and Objectives were a promise and for the ag industry to survive in Washington County that promise must be kept. We need a plan for growth from the Metro Council, not just fulfilling a wish list. The Council has options other than EFU land and should use those options.**

**We oppose taking of any EFU land in Washington County, our intent is to defend the ag land base in Washington County so that agriculture will be able to produce food and fibre for current and future generations in a profitable manner.**

**Sincerely,**  
  
**Don Logan  
President**

1/2/96- 300

EXHIBIT

JOHN W. BROOME  
P.O. BOX 236  
TUALATIN, OR 97062

February 11, 1997

Mr. Jon Kvistad  
METRO  
600 NE. Grand Avenue  
Portland, OR 97232

Dear Jon,

SUBJECT: URBAN GROWTH BOUNDARY EXPANSION

I concede that there will be a need to expand the urban growth boundary in the future to accommodate people moving into this area, but I do not believe that the time is now.

Urban Reserves need to be identified, but wetlands, stream corridors, steep slopes, and flood plains should not be considered as part of the inventory of buildable areas.

The rains and floods of the past year or two have shown the folly of building in these hazardous areas. Roofs and paving have eliminated permeable areas so that rainfall, rather than recharging ground water, now runs off immediately, exacerbating the flooding situation everywhere in the METRO area.

While I support the concept of density planning, some open-spaces, other than parks, need to be preserved and protected, to enhance or make tolerable the principal of high or medium density living.

Green spaces/open-spaces are not just for aesthetics. Wildlife habitat is extremely important, and the human psychological benefits of open-spaces and wildlife should not be overlooked.

Sincerely yours,



Jack Broome

JB:bc

February 10, 1997

Jon Kvistad  
Metro Council Chairman  
Metro Council Office  
600 NE Grand Avenue  
Portland, OR 97232-2763

Re: Urban Reserves Study Area, Map #48

Dear Chairman Kvistad and Metro Councilors:

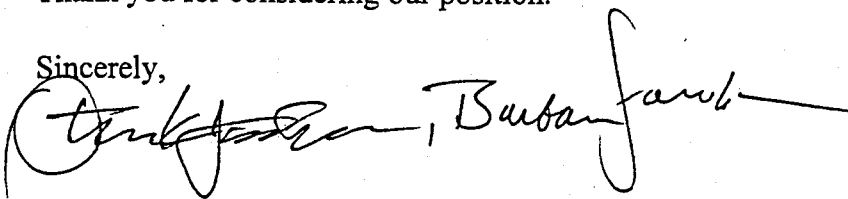
This letter is written to address possible inclusion of our home and farm within the an expanded urban growth boundary. Our property is currently just outside of the existing urban growth boundary and is included as part of the urban reserve study area shown on your map #48. We have attached a copy of that map and highlighted our property with cross-hatch marks. Our property address is 15915 SW 150th in Tigard.

Although we are neither for or against either moving the properties shown on map #48 within the boundary or excluding them, what we absolutely do not want to see happen is that any properties adjacent to ours are moved in but our property is somehow left out. At present, we have livestock (several horses) on the property with pastures that extend to all boundaries of our property. If any of the adjacent properties are brought within the boundary for development, then we need to have the option to develop ours. Once any adjoining property is developed, keeping our property in farming use with a significant population along its border would not be feasible. Livestock do not mix well with children and dogs as next door neighbors. Having a farm with animals located directly next to a neighborhood is not a compatible use.

I know that some neighbors of our property would like to be brought in and that some neighbors on one side of our property would like to be left out. I ask that if any properties adjoining ours are brought within the boundary that our property also be brought in so that we have the option of selling it for development and moving our farm elsewhere. If a decision is made not to bring in any of the properties on map, #48, we are also fine with that decision and can continue with the property's existing farm use.

Thank you for considering our position.





Sincerely,



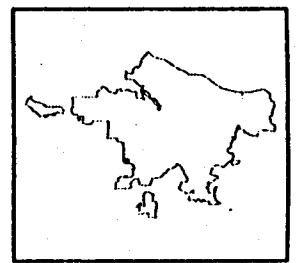
Barbara and Steve Jacobson  
15915 SW 150<sup>th</sup>  
Tigard, OR

# Urban Reserves

Designated By  
Metro Council Vote 12-12-96

-  Land in Reserves
-  EFU Land in Reserves
-  Original Study Area Boundary
-  Urban Growth Boundary

## MAP #48



600 NE Grand Ave  
Portland, OR 97131-2736  
(503) 797-1942



112196- 302 ✓

**EXHIBIT**

**Coalition for a Livable Future**  
534 Southwest Third, Suite 300  
Portland, Oregon 97204  
Ph. 503-497-1000 Fax: 503-223-0073  
Email: zack@friends.org

---

2/12/97

**From: Zachary Semke, Program Coordinator**

**To: David Aeschliman**  
Metro Council Office  
600 NE Grand Avenue  
Portland, OR 97232

Phone: 797-1540 Fax: 797-1793

Message:

David -

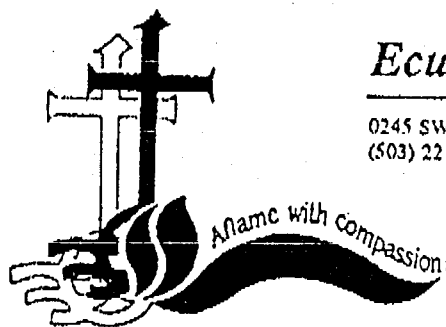
Please distribute this packet to Metro Councilors. (Jenny Holmes will drop by a hard copy this afternoon.) Thanks a lot!!

-- Zack

The Rev. Dr. F. Wayne Bryant, Executive Director  
 Stephanie Howell, Deputy Director  
 Jack Kennedy, Deputy Director

## *Ecumenical Ministries of Oregon*

0245 SW Bancroft Street, Suite B, Portland, Oregon 97201  
 (503) 221-1054 Fax (503) 223-7007



February 12, 1997

Members of the METRO Council  
 METRO  
 600 NE Grand Ave.  
 Portland, OR 97232

Dear Council Members:

I am writing on behalf of the Board of Ecumenical Ministries of Oregon, which represents over 16 member denominations in Oregon and hundreds of congregations in the Portland metropolitan area. At our February 11 board meeting, we unanimously resolved to urge you, the METRO Council, to rethink your preliminary determination to designate 18,000 acres of urban reserves and to include valuable farmland in those reserves.

We are deeply concerned about the disturbing trends toward decay at our urban core and sprawl at our fringes, with all of the social, economic and ecological injustices that path entails. These concerns are rooted in faith. The Gospel asks us in all decisions to consider how the poor will fare. And recently we have been rediscovering the biblical mandate to care for the environment as God's creation.

Therefore we urge you to:

- Maintain the existing Urban Growth Boundary for the foreseeable future;
- Designate a very small acreage of Urban Reserves for expansion in the future, and carefully master plan those Urban Reserves;
- Remove the farm and forest lands from the Urban Reserves;
- Work with local governments to help them aggressively implement the recently adopted Functional Plan in every jurisdiction in our region; and
- Adhere to the Region 2040 policies and goals in timely completion of the Regional Framework Plan.

Guiding our resolution are moral traditions that call us to be frugal and wise stewards of the land and other resources entrusted to our care; to strengthen community; and to strive for justice for all people, particularly those most in need, and for future generations.

Before any urban expansion is considered, we must first assure that we are using our existing lands wisely. We must put into practice the promising plans we have already established for more efficiently developing our existing urban lands and for protecting our farm and forest lands. Our highest attention and best resources must be focused on reinvesting in and renewing existing communities to keep them healthy and enriching places to live for people of all income levels.

Before any lands are designated for future expansion, they must first be carefully master planned to ensure that the new development will do the following:

#### Member Denominations

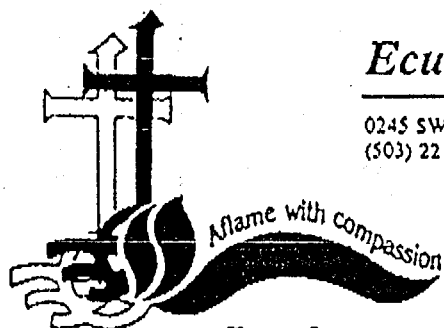
African Methodist Episcopal Church • African Methodist Episcopal Zion Church • American Baptist Church • American Lutheran Church • Christian Church (Disciples of Christ) • Christian Methodist Episcopal Church • Church of the Brethren • Episcopal Church • Evangelical Lutheran Church in America • Evangelical United Brethren Church • Free Methodist Church • General Conference of the Methodist Church • Presbyterian Church in America • Presbyterian Church (USA) • United Methodist Church • United Presbyterian Church in North America • United Synagogue of Conservative Judaism • United Synagogue of Orthodox and Reform Judaism • United Synagogue of Conservative Judaism • United Synagogue of Orthodox and Reform Judaism



The Rev. Dr. F. Wayne Bryant, Executive Director  
 Stephanie Howell, Deputy Director  
 Jack Kennedy, Deputy Director

## Ecumenical Ministries of Oregon

0245 SW Bancroft Street, Suite B, Portland, Oregon 97201  
 (503) 221-1054 Fax (503) 223-7007



### Resolution Concerning the Metropolitan Common Good

*Passed unanimously by the Board of Ecumenical Ministries of Oregon  
 on February 10, 1997*

Whereas, the Metro Council is now facing a critically important decision regarding the designation of permanent Urban Reserves from which future expansion of the Urban Growth Boundary may be made; and

Whereas, the Council in December 1996, made a preliminary decision to designate about 18,000 acres of land for this reserve; and

Whereas, more than 3000 of these acres are zoned for exclusive farm or forest use, including many acres of prime farm land; and

Whereas, the goals and policies of the Region 2040 Plan include:

- Keeping a tight urban growth boundary and directing investment toward existing communities;
- Creating well-designed compact, mixed-use urban communities throughout the region;
- Ensuring a fair share of affordable housing in every community;
- Promoting pedestrian, bicycle, and transit access throughout the region;
- Creating smaller housing lot sizes and business and employment areas that use land efficiently; and
- Preserving farm and forest lands outside the Urban Growth Boundary; and

Whereas, unless commitment to maintaining the Urban Growth Boundary is strong and persistent we can expect to follow the path of virtually every other urban area in this country into decay of our urban core and sprawl at our fringes; and

Whereas, destructive symptoms of this polarization are already evident in our community -- concentration of poverty in our core communities, location of new jobs and economic opportunities primarily in developing suburbs, dwindling of tax resources in communities with the greatest needs, and pressure growing to expand further on to farm and forest lands, threatening our environment and our sense of place;

Now, therefore, we, the Board of Directors of Ecumenical Ministries of Oregon, do hereby resolve and request that the Metro Council:

- Maintain the existing Urban Growth Boundary for the foreseeable future;
- Designate a very small acreage of Urban Reserves for expansion in the future, and carefully master plan those Urban Reserves;
- Remove the farm and forest lands from the Urban Reserve;
- Aggressively implement the recently adopted Functional Plan in every jurisdiction in our region; and
- Adhere to the Region 2040 policies and goals in timely completion of the Regional Framework Plan.

Member Denominations:

African Methodist Episcopal Church • African Methodist Episcopal Zion Church • American Baptist Church • Antiochian Orthodox Church  
 Christian Church (Disciples of Christ) • Christian Methodist Episcopal Church • Church of the Brethren • Episcopal Church • Evangelical Lutheran Church  
 Greek Orthodox Church • Orthodox Church in America • Presbyterian Church (USA) • Reformed Church in America

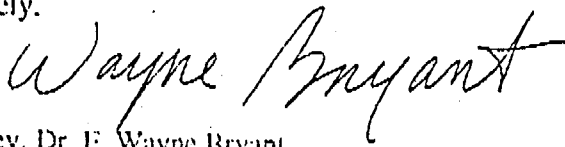
- Support our region's growth management goals;
- Include a fair share of affordable housing; and
- Protect and restore the streams, wetlands and other natural areas and open spaces.

We must also ensure that these master planning processes have effectively engaged--and continue to engage--all citizens in shaping the neighborhoods and communities where they live and work.

Our region does not need more land! We need to awaken to the possibilities we have to create a regional community that is just and sustainable -- a community where every person's God-given potential may be fulfilled and our earth restored.

Only with the discipline of a tight boundary and very few reserves will we awaken to our potential.

Sincerely,

A handwritten signature in cursive script that reads "Wayne Bryant". The signature is written in dark ink and is positioned above the typed name.

The Rev. Dr. F. Wayne Bryant  
Executive Director



EARL BLUMENAUER  
THIRD DISTRICT, OREGON  
COMMITTEE  
ECONOMIC AND EDUCATIONAL  
OPPORTUNITIES



WASHINGTON OFFICE:  
1113 LONGWORTH BUILDING  
WASHINGTON, DC 20515-3703  
(202) 225-4811

DISTRICT OFFICE:  
THE WEATHERLY BUILDING  
516 S.E. MURKIN STREET  
SUITE 250  
PORTLAND, OR 97214  
(503) 231-2300

Congress of the United States  
House of Representatives  
Washington, DC 20515-3703

February 7, 1997

Dear Friends:

Unfortunately I am unable to be with you today but I join in your commitment to a just, affordable and sustainable metropolitan community. Whether is it urging caution about the potential expansion of the urban growth boundary or the fight against environmental and economic degradation of inner cities, we must work together to build livable communities.

The challenge is great. Many areas across the country are plagued with problems that threaten the social fabric, economic vitality and environmental health of our nation. In the Portland region, we know the negative impacts of sprawling growth and the importance of a planning framework that allows us to understand the consequences of our decisions on the livability of our community. We know it is fundamental to create partnerships, to make the best use of resources and available technology and assure that everyone has access to a range of employment, housing and transportation choices. We must be ever vigilant in this effort. Protecting livability requires that everyone who has a stake in the outcome joins together.

I welcome your efforts adding the voice of the ecumenical community and people of faith. Working together on long-term, balanced solutions, we will continue to move our state towards an environmentally and economically sustainable future in which our children and their children can grow, prosper, and participate in their own right.

Sincerely,

A handwritten signature in black ink that reads "Earl Blumenauer".  
Earl Blumenauer  
Member of Congress

112196-303

# EXHIBIT

Andrew H. Kerr  
2834 NE 51st Ave.  
Portland, OR 97213

February 12, 1996

Metro Councilor Ed Washington  
600 N. Grand Ave.  
Portland, OR 97232

RE: In favor of REDUCING the acreage in the Urban Reserves  
(and keeping the boundary of the UGB where it is)

The Portland metropolitan area is attractive, both in its beauty and its power to persuade people and corporations to move here. I would not try to dissuade any person or corporation from considering this as a future location. However, the attractiveness of this area is finite and fragile.

I believe that we should leave farms, forests, and wetlands out of the Urban Reserve Study Areas, because we know that these are irreplaceable and important to all living things, including us. There is plenty of space within the UGB which can be creatively developed and rehabilitated. Let's direct investment to fix up and maintain areas where people already live rather than paving and building in areas that serve us best just the way they are.

I realize that holding the growth boundary may not help the dollar value of land outside the boundary. People who bought land outside the current boundary in hopes that the monetary value of it would appreciate can reevaluate their investments. It is not the responsibility of government to protect investors from risk.

Sincerely,

Andrew H. Kerr

112196-

304

# EXHIBIT

To: METRO Council  
600 NE Grand Ave.  
Portland, Oregon

February 13, 1997

From: Kevin and Bonnie Harold  
1705 Fern Place  
Lake Oswego, OR 97034

Subject: **Urban Reserve Designation - Not Fair to Us Inside!**

---

Ladies and Gentlemen:

We remain opposed to expansion of the Urban Growth Boundary without a more formal plan in place to ensure all of the associated impacts; traffic, infrastructure expansion, schools, and other associated impacts are paid for by the parties participating in the expansion. **Who is going to pay for all this growth. It must be by those who are part of the growth.**

**To expand the UGB without a legal process in place that will require complete payment for associated costs by the growth participants will just place an unfair burden on those already living within the UGB.**

Designation of urban reserves is a self fulfilling prophecy for expansion. Reserve the land and it will be developed!

**PLEASE DO NOT EXPAND THE URBAN GROWTH BOUNDARY**

**PLEASE DO NOT DESIGNATE ANY URBAN RESERVES**

Respectfully,

*Kevin & Bonnie Harold (via personal computer)*

112196-305

**EXHIBIT**

**FAX TRANSMITTAL**

February 13, 1997

To:	Ms. Susan McLain, Metro Council District 4		
Fax:	797-1793		
From:	The Rev. Jeff Sievert, Reedville Presbyterian Church		
Voice:	503-649-1282	2785 SW 209th Av., Aloha 97006	
Fax:	503-649-9213 (call voice first)		

Dear Ms. McLain,

I understand that Metro is slated to make a decision today regarding which Urban Reserve Study Areas will be designated as Urban Reserves. First, I want you to know that I am deeply appreciative of Metro's efforts to provide comprehensive planning and policies for the growth and maintenance of the Portland metropolitan area. I was born here in Emanuel Hospital 40 years ago and, after 15 years away have returned, hopefully for the rest of my life. To find Metro hard at work preserving and enhancing the best of what Portland has always been, is reassuring.

I want to encourage you to do the following:

1. Maintain a tight urban growth boundary
2. Remove irreplaceable farm and forest lands from the URSA's
3. Add no land to the UGB at this time
4. Phase Urban Reserve designations as proposed by Metro Executive Burton

I am a signer of the "Statement of Religious Leaders on the Metropolitan Common Good." If you haven't seen it, I'm sure it's available to you. I close with its first paragraph:

*Let justice roll down like waters, and righteousness like an ever-flowing stream.  
Amos 5:24*

We, the undersigned religious leaders, are deeply concerned about the growing economic and social disparities and the future development of the Portland metropolitan area. Our concern is rooted in the religious values of justice, community, stewardship, and concern for the poor.

Thank you very much for your work, and especially for your attention to this matter. I would enjoy hearing from you at some point about your views on these issues.

Grace and peace-

112196 - 306

**EXHIBIT****EXHIBIT**

DATE: 2-10-97  
 TO: METRO COUNCILORS  
 FROM: CONCERNED CITIZENS OF PORTLAND'S HOLLYWOOD DISTRICT  
 RE: PRINCIPLES TO VOTE BY: DOING WHAT IS RIGHT

- 1) People are social creatures. This means they thrive living in close proximity to each other and languish isolated or alone. This is true of families, neighborhoods and cities.
- 2) People are not rats. Population density studies conducted on the behavior of rats over 20 years ago, the basis for uninformed views about population density of humans, have nothing to do with urban planning issues of 1997. Ideal human population density differs by need and expectation, differs for homes and offices, and even differs in the comfort levels experienced by different racial and ethnic groups. Density is interrelated to growth patterns, kinds of human habitat structures, transportation options, commuting patterns, etc. The thinking that went into the establishment of the 2040 planning process was largely based on current research, not scare tactics and misinformation.
- 3) Building community within an urban growth boundary is a valid goal. Developing within the UGB will mitigate the wide variances of rich and poor which is essential if citizens of the Portland metropolitan area are to thrive now, up to and including the year 2040. Suburban development in formerly rural areas benefits only two groups - the developers and the wealthiest citizens who can afford high-priced homes. Continuing income/wealth disparity creates crime in the short run and revolution in the long run.
- 4) The small family farm as a social construct created American democracy. The continuation of small farms and the production of our food by our own citizens will perpetuate American democracy. The mega-farm, i.e., agri-business, ignores democratic principals which promote human or ecological health, sustainability, justice or the future of our agricultural self-sufficiency as a nation. If it can be grown here with cheap migrant labor, or somewhere else cheaper, the argument goes, then go ahead and sell our farmland to developers and let agri-business interests go down to Brazil and cut down the rain forests, hire child and/or slave labor, and maximize profits. This is what happens! There is **absolutely no justification** for the addition of 3,000 acres or any prime farmland as urban reserves.
- 5) The process of establishing the 2040 plan, including the UGB, was accomplished with citizen input. Ignoring input by the majority of citizens at this juncture - who don't want to add any farm or forest land to the urban reserves - is anti-democratic, will degrade the area, its citizens, future generations, and the land, water, air, creatures, plants and other life-forms in our tri-country region. The issue of "balance" was and has been lost to over-development a long time ago. The rights of ordinary citizens and nature have been secondary to the selling off of our farms for development of suburbia and the razing of our forests for quick profits, for generations. Let's "get real!"
- 6) The Metro Council is made up of decent people. You were elected to represent the majority of citizens, make choices which will enhance our region and livability for years to come, and take your responsibilities to heart. Don't let the well-financed interests touting "balance" fool you! Look into the eyes of your brothers and sisters and into the mirror. If you see dollar signs, don't succumb! If you see caring and reason, you know you are making the right choices for **all** the citizens and the earth in the Metro area. Don't "just do it," **do what is right!**

*Winifred R. Holmes*

*Jenny Holmes*

*Margaret Holm*

*Carol Lund*

*...*



112196 - 307

# EXHIBIT

February 12, 1997

Metro Councilors  
600 NE Grand Avenue  
Portland, Oregon 97232-2736

**Re: Additional Findings for Urban Reserve #65**

Dear Metro Councilors:

I am writing to provide you and your staff with additional findings for Urban Reserve #65. Specifically, the findings attached address the following tax lots: 1N1 18 800, 1N1 18 700, 1N1 18 601, 1N1 18 690, and 1N1 17C 600, approximately 92 acres of land adjacent to the UGB and Portland Community College. Metro Council may designate EFU lands as Urban Reserves in several cases including when needed to insure maximum efficiency of higher priority land uses, (OAR 660-21-030(4)(c). *Findings are attached as Exhibit A in support of adding this tax lot.*

1. This tax lot meets the exception to the priority ranking for taking in lower priority lands because it *"provides maximum efficiency of land uses within a proposed urban reserve to provide services to higher priority lands."*

**Sanitary Sewer, Water and Storm Water lines:** There are urban services such as water and sanitary sewer are located in Springville Road. United Sewage Agency (USA) has a sewer line in Springville Road, Tualatin Valley Water District has a 24" and 16" water lines in Springville Road. In order to serve the exception lands to the north of the subject tax lots, the most efficient provisions of underground utilities would be through the subject lots. The cost of service provision for this URSA was among the lower cost areas studied by KCM (\$3,570 per Equivalent Dwelling Unit).

**Efficient land uses:** The subject tax lots provide an opportunity to develop at Metro 2040 densities, and a conceptual master plan has been prepared for this area with a net density of almost 13 units per acre -- including student housing adjacent to the Portland Community College (PCC) Rock Creek Campus. The subject tax lots are surrounded by the Urban Growth Boundary on two sides and exception lands on one side.

**Transportation:** This tax lot provides the opportunity for north - south connector streets from Springville Road and pedestrian and bicycle connections into the PCC campus. It provides potential transportation access to the tax lots to the north, and an opportunity to create a better grid system in this portion of Washington County.

2. Metro staff acknowledged several mistakes in the original URSA analysis tool, which may have

J:\PROJECT\1751010\WPDATA\021297.LTR



Metro Council  
February 12, 1997  
URSA #65

caused this entire URSA to be ranked lower relative to other URSA than it would have; specifically, the Agricultural compatibility and proximity to Town Centers methodology were flawed in the original model.

W&H Pacific, Inc. provided further written documentation this Urban Reserve in November and December 1996. More detailed discussions and findings are contained in that report. Thank you for your attention to this matter.

Sincerely,

W&H Pacific, Inc.



Chris Eaton, AICP  
Senior Planner

Enclosures

Exhibit A - Proposed Findings for inclusion of property in Urban Reserve #65  
Exhibit B - Subject Tax Lots Urban Reserve #65

cc: Larry Shaw, Metro Legal Counsel  
Michael Morrissey, Council Analyst  
John Fregonese, Growth Management Director

## EXHIBIT A

FINDINGS FOR INCLUSION OF TAX LOTS: 1N1 18 800, 1N1 18 700, 1N1 18 601, 1N1 18 690, and 1N1 17C 600, IN URBAN RESERVE #65

The following findings can be added to Page 18, (1/31/97 draft) of the "PROPOSED URBAN RESERVE AREA FINDINGS AND CONCLUSIONS"

Existing Text on page 18:

"URSA #65 has about 201 acres of resource land. All but 45 acres are surrounded on 3 sides by UGB and exception lands. This area is not predominantly "prime and unique" soils. Efficient provision of urban services to the exception land and undeveloped portions of the UGB will require crossing these resource lands south of Brugger Road. Alternatively, this lower quality resource land would be included in urban reserves as "secondary" land as lower priority lands that are included before other resource lands."

Add new text following existing:

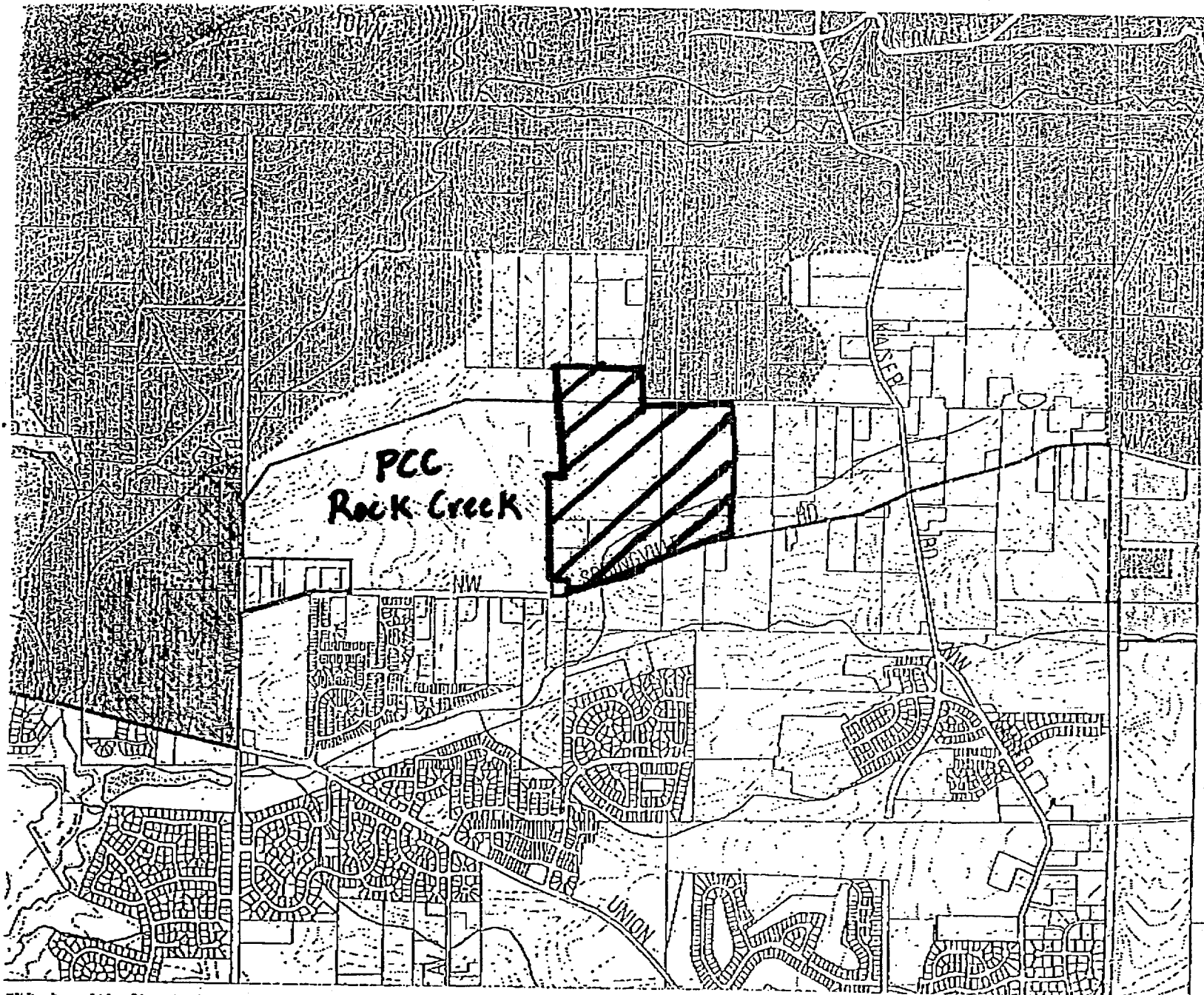
In URSA #65, there are approximately 92 acres of land adjacent to the UGB and Portland Community College that meet the maximum efficiency test as follows:

**Sanitary Sewer, Water and Storm Water lines:** There are urban services such as water and sanitary sewer are located in Springville Road. United Sewage Agency (USA) has a sewer line in Springville Road, Tualatin Valley Water District has a 24" and 16" water lines in Springville Road. In order to serve the exception lands to the north of the subject tax lots, the most efficient provisions of underground utilities would be through the subject lots. The cost of service provision for this URSA was among the lower cost areas studied by KCM (\$3,570 per Equivalent Dwelling Unit).

**Efficient land uses:** The subject tax lots provide an opportunity to develop at Metro 2040 densities, and a conceptual master plan has been prepared for this area with a net density of almost 13 units per acre -- including student housing adjacent to the Portland Community College (PCC) Rock Creek Campus. The subject tax lots are surrounded by the Urban Growth Boundary on two sides and exception lands on one side.

**Transportation:** This tax lot provides the opportunity for north - south connector streets from Springville Road and pedestrian and bicycle connections into the PCC campus. It provides potential transportation access to the tax lots to the north, and an opportunity to create a better grid system in this portion of Washington County.





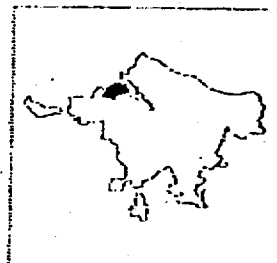
Regional Land Information System

# Urban Reserve Study Areas

Adopted By  
Metro Council 7-8-96

- This Map's URSA
- UGB
- Other URSA's
- Outside UGB and URSA's
- Specific Study Area
- Urban Growth Boundary

MAP #65



600 1/2 Grand Ave  
Foster, OR 97117-2714  
(503) 777-5700



1154722sub01.dwg, plot date: February 18, 1997

= Subject Tax Lots

\*Source: Rural/Natural Resource Plan, December 31, 1994,  
Washington County Department of Land Use and Transportation

FEB. 12. 1997 6:53PM M&H PACIFIC NO. 222 P. 5/5

**EXHIBIT B**



8405 S.W. Nimbus Avenue  
Beaverton, OR 97008-7120

112196- 308

# EXHIBIT

February 12, 1997

Metro Councilors  
600 NE Grand Avenue  
Portland, Oregon 97232-2736

Re: Amendment to Urban Reserve #49

Dear Metro Councilors:

I am asking you to consider additional lands as part of Urban Reserve #49, designated by the Council on December 12, 1996. My request is to add one tax lot (2S1 0600 00103) approximately 55 acres of AF-20 lands adjacent to the current UGB and City limits of Beaverton. Metro Council may designate EFU lands as Urban Reserves in several cases including when needed to insure maximum efficiency of higher priority land uses, (OAR 660-21-030(4)(c)). *Findings are attached as Exhibit A in support of adding this tax lot*

1. This tax lot meets the exception to the priority ranking for taking in lower priority lands because it *"provides maximum efficiency of land uses within a proposed urban reserve to provide services to higher priority lands."*

**Urban Services such as local schools:** the attached letter of interest from the Beaverton School District shows their interest in a portion of this tax lot for a school site. This potential school site provides lands on an existing major arterial providing direct access to meet the school demands of new development in southwest Beaverton and increased density envisioned in the surrounding exception lands (2,938 households based on 1/6/97 Urban Reserve Rankings from Metro staff). Additional school capacity can serve both existing and future demands is an essential part of addressing the concerns of the local school districts. This tax lot can provide for is an urban service that will add to the maximum efficient development of adjacent lands.

**Sanitary Sewer, Water and Storm Water lines:** There are urban services such as water and sanitary sewer located at the edge of the City limits of Beaverton in Scholls Ferry Road (and Old Scholls Ferry Road); and it is logical that extension of those lines follows Route 210 as it goes through UR #49. From Scholls Ferry Road, those lines would be easily extended through this tax lot to the north towards the exception lands located up the slopes of Cooper Mountain. Furthermore, the area immediately adjacent to the east in the City of Beaverton is developing, and services extended at the northeastern portion of this tax lot.

**Efficient long term planning and service provision:** Without this tax lot in the Urban Reserve, there is little opportunity to master plan large vacant lands. Inclusion of this tax lot provides for transportation and underground utility access to the exception lands to the north from a major

J:\PROJECT\04050801\WP\DATA\021297.LTR



Metro Council  
February 12, 1997  
Urban Reserve #49

arterial.

**Transportation:** This tax lot provides the opportunity for north - south connector streets from Scholls Ferry Road. The Urban Reserve area is split into two separate areas, without north-south connectors, which will force ALL north south travel onto SW 175th/Reusser Road instead of allowing trips to divert onto a grid system.

- Washington County Transportation CIP (February 1996) shows a transportation improvement project that requires a portion of this tax lot for public right-of-way to provide increased level of transportation services to exception lands in this area: Project #702: Intersection Beef Bend at Scholls Ferry; will realign Scholls Ferry/Old Scholls Ferry Road and Scholls Ferry/Beef Bend intersection adding a traffic signal and turn lanes. The design of the realigned intersections may necessitate loss of a portion of the bottom portion of this tax lot.
- 3. Metro staff acknowledged several mistakes in the original URSA analysis tool, which may have caused this entire URSA to be ranked lower than it would have, specifically, the Agricultural compatibility and proximity to Town Centers methodology were flawed in the original model.
- 4. This tax lot has lower quality soils (Class III 50% and IV 50%) and has not been farmed for over 17 years.
- 5. The residents to the north wish to have the northern exception lands removed from this Urban Reserve. That leaves a dilemma for metro staff due to the loss of housing capacity available to meet the need identified in the Draft Urban Growth Report. Perhaps this 55 acre tax lot, which could be developed at a higher density than the existing exception lands to the north, would be considered as a trade for removal of the northern exception lands. Findings for this action would have to be developed.

W&H Pacific, Inc. provided further written documentation this Urban Reserve in November and December 1996. More detailed discussions and findings are contained in that report. Thank you for your attention to this matter.

Sincerely,

W&H Pacific, Inc.



Chris Eaton, AICP  
Senior Planner

Metro Council  
February 12, 1997  
Urban Reserve #49

**Enclosures**

**Exhibit A - Proposed Findings for inclusion of property in Urban Reserve #49**

**Exhibit B - Proposed amendment to Urban Reserve #49**

**Exhibit C - Letter of interest from Beaverton School District**

**cc: Larry Shaw, Metro Legal Counsel  
Michael Morrissey, Council Analyst  
John Fregonese, Growth Management Director**

Metro Council  
February 12, 1997  
Urban Reserve #49

## EXHIBIT A

### FINDINGS FOR INCLUSION OF TAX LOT (2S1 0600 00103) IN URBAN RESERVE #49

The following findings can be added to Page 18, (1/31/97 draft) of the "PROPOSED URBAN RESERVE AREA FINDINGS AND CONCLUSIONS"

Urban Reserve #49 has approximately 55 acres of resource land in an area surrounded by exception land on two sides, and the Urban Growth Boundary and Beaverton city limits on the east. These 55 acres are needed for efficiency in providing urban services to the surrounding exception lands (to north and south) including the following types of services:

**Urban Services such as local schools:** Beaverton School District has expressed interest in a portion of this tax lot for a school site (attached letter from Macadam Forbes). This potential school site provides lands on an existing major arterial providing direct access to meet the school demands of new development in southwest Beaverton and increased density envisioned in the surrounding exception lands (2,938 households based on 1/6/97 Urban Reserve Rankings from Metro staff). Additional school capacity can serve both existing and future demands is an essential part of addressing the concerns of the local school districts. This tax lot can provide for is an urban service that will add to the maximum efficient development of adjacent lands.

**Sanitary Sewer, Water and Storm Water lines:** There are urban services such as water and sanitary sewer located at the edge of the City limits of Beaverton in Scholls Ferry Road (and Old Scholls Ferry Road); and it is logical that extension of those lines follows Route 210 as it goes through UR #49. From Scholls Ferry Road, those lines would be easily extended through this tax lot to the north towards the exception lands located up the slopes of Cooper Mountain. Furthermore, the area immediately adjacent to the east in the City of Beaverton is developing, and services extended at the northeastern portion of this tax lot.

**Efficient long term planning and service provision:** Without this tax lot in the Urban Reserve, there is little opportunity to master plan large vacant lands. Inclusion of this tax lot provides for transportation and underground utility access to the exception lands to the north from a major arterial.







**Transportation:** This tax lot provides the opportunity for north - south connector streets from Scholls Ferry Road. The Urban Reserve area is split into two separate areas, without north-south connectors, which will force ALL north south travel onto SW 175th/Reusser Road instead of allowing trips to divert onto a grid system.

Metro Council  
February 12, 1997  
Urban Reserve #49

- Washington County Transportation CIP (February 1996) shows a transportation improvement project that requires a portion of this tax lot for public right-of-way to provide increased level of transportation services to exception lands in this area: Project #702: Intersection Beef Bend at Scholls Ferry; will realign Scholls Ferry/Old Scholls Ferry Road and Scholls Ferry/Beef Bend intersection adding a traffic signal and turn lanes. The design of the realigned intersections may necessitate loss of a portion of the bottom portion of this tax lot.

# Urban Reserve Study Areas

Adopted by  
Urban Council 7/8/96

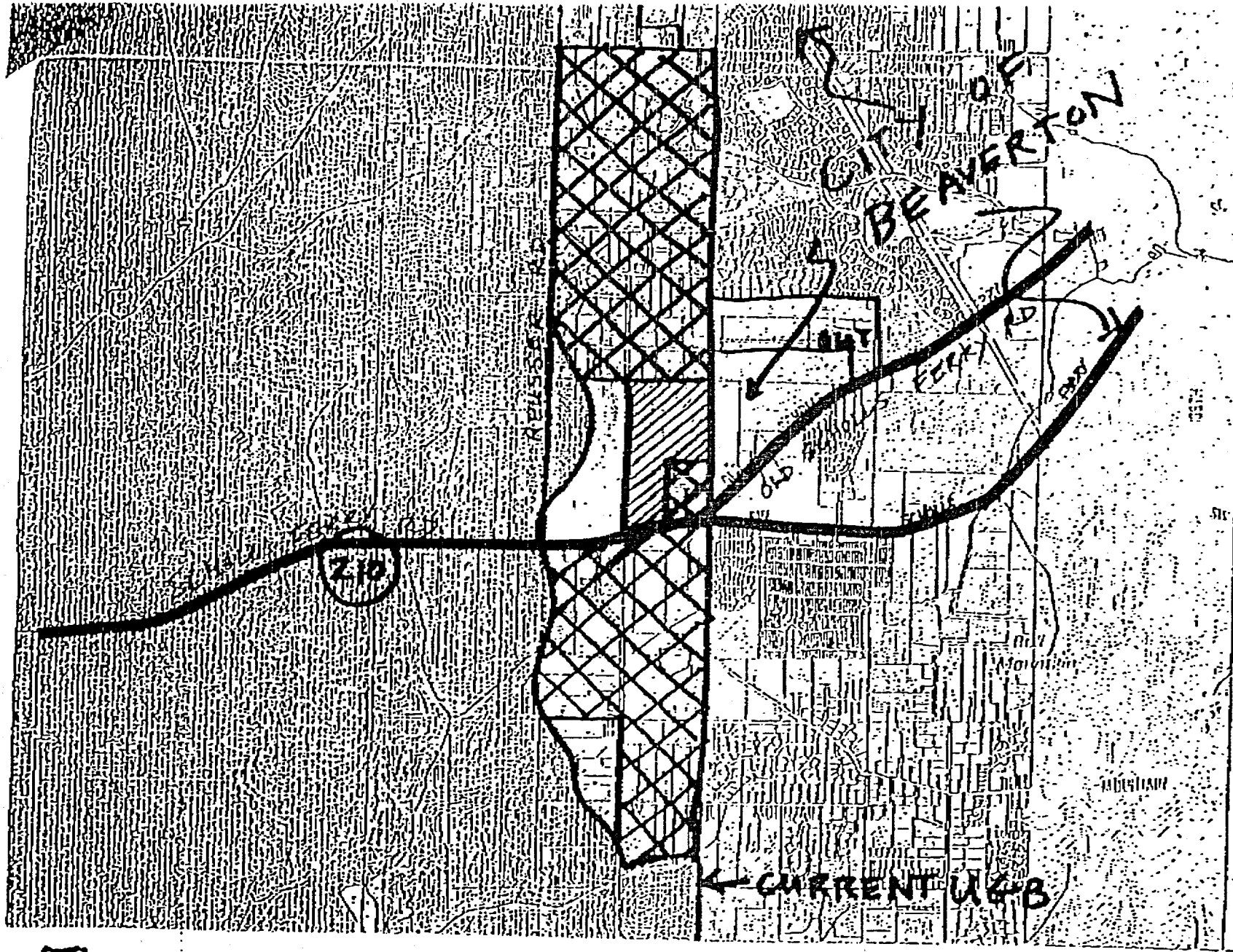
-  Mid-High U&B
-  U&B
-  Other U&B
-  Growth Edge and U&B
-  Specific Study Area
-  Urban Growth Zone Map


## MAP #49

Area: 111 Acres  
62150 13512



Map Scale:  
1" = 1000'



 = Urban Reserve area designated December 5, 1996

 = Proposed Urban Reserve area



July 1, 1996

Mr. Hal Keever, A.S.I.A.  
Senior Associate  
W & H Pacific  
8405 SW Nimbus Avenue  
Beaverton, Oregon 97008

RE: Vacant property of approximately 54.92 acres; Ref Parcel No. 2510600  
00103, Beaverton, Washington County.

Parcel  
shown  
on  
Exhibit  
B

Dear Hal:

It has been a pleasure working with you over the past several months regarding the above referenced parcel of land.

As you are aware from our previous meetings, Macadam Forbes, Inc. • ONCOR International is representing Beaverton School District 48J in analyzing the District's alternatives for potential school sites.

As we've discussed, available school sites are limited throughout the Beaverton School District, especially those possibilities within the southwest quadrant. The District's task is to project future enrollment and to provide classroom space for all new students generated through new and existing residential developments. Many of the existing schools are reaching capacity, with others currently over capacity.

After examining the undeveloped parcels of land within the District's South/Southwest Beaverton geographical boundaries, the Beaverton School District wishes to enter into further discussion for the possibility of future acquisition of approximately 10+ acres of said parcel for an elementary school site. Obviously there will be many issues and conditions to be outlined and resolved, such as topography and site access.

Whereas timing for a new projected elementary school is critical, it is important that we also coordinate further discussions with the current property owner, Mr. Ronald E. Dyches, as well.

1800 SW First Ave, Suite 100 • Portland, Oregon 97201 • FAX (503) 274-8216 • Telephone (503) 237-2503

Offices in Portland, Seattle, San Francisco, Los Angeles, Denver, Houston, Chicago, Atlanta, New York City, Toronto, London, Paris, Frankfurt and over 100 other cities





Mr. Hal Keever

July 1, 1996

Page 2

Hal, please relay the School District's sincere interest in meeting with all appropriate parties to pursue this opportunity further.

Thank you for your continued cooperation. Please do not hesitate to contact either of the undersigned at 227-2500 with any questions you may have.

Sincerely,

MACADAM FORBES, INC.  
ONCOR INTERNATIONAL



John Van Zonneveld

Nick Gantman

JVZ/NG:jlc  
enclosure

cc Steven M. Ladd, Ed.D.,  
Assistant Superintendent  
Beaverton School District 48J



# The Urban League of Portland

URBAN PLAZA

10 North Russell Street

Portland, Oregon 97227

FAX (503) 281-2612

(503) 280-2600

112196 -

309

## EXHIBIT

February 12, 1997

Councilor Ed Washington  
Metro Regional Office  
600 NE Grand Ave.  
Portland, OR 97232-2736

Dear Ed:

This month you and your fellow Metro Councilors will make an important decision on how much land to include in Urban Reserves outside our Urban Growth Boundary (UGB). We at the Urban League believe the proposal to include more than 18,000 acres in Urban Reserves is an expensive venture that offers few benefits for residents and businesses in your district. I am writing to share our views on how this proposal could impact your constituents -- many of whom are Urban League clients -- and to urge you to support a more compact form of development.

As a Metro Councilor you have been a strong advocate for creating affordable housing and preserving the natural environment in our region. We especially appreciate your leadership on affordable housing, which has become one of the most severe problems faced by the low income residents of North and Northeast Portland we serve. But another important issue for our constituents is jobs. We are concerned that a large expansion of the UGB could siphon off business development from your district, which has the largest amount of undeveloped industrial land inside the Urban Growth Boundary.

Research indicates that development beyond the UGB will be subsidized by taxpayers in our region with few benefits. A study commissioned by the New Jersey legislature in 1989 compared the costs of a dispersed growth pattern with more compact growth. By not spreading development over an additional 130,000 acres (half our urban growth boundary), the study predicted New Jersey would save \$740 million on state and local roads that would not be necessary and \$440 million in water supply and sewer infrastructure costs. After 20 years there would be \$400 million in annual savings to municipalities and school districts for operating costs under the compact growth alternative. Even the Bank of America has pointed out the high social and economic costs we all pay for subsidizing suburban sprawl.

In Multnomah County we are facing deep cuts for social services that assist people in need. Can we afford to subsidize fringe infrastructure at a time like this? Who really benefits from an expanded urban growth boundary? While developers could make fortunes on the fringe of our region, how will this benefit taxpayers, businesses and job seekers in your district? I fear we will all subsidize fringe development as we watch business and residential development gravitate to the fringe.

A NATIONAL  
URBAN LEAGUE  
AFFILIATE

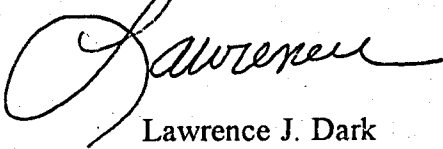
A United Way  
Agency



In the post-Measure 5 and Measure 47 era, we must make careful choices about public spending. Opening up 18,000 acres for potential urban growth would be a risky choice. The Urban League could support the counter proposal by Metro Executive Mike Burton for a multi-stage process to designate Urban Reserves. His proposal for a Phase 1 designation of 4,000 acres allows time for the master planning needed to ensure adequate infrastructure, while determining who is responsible for these costs. It would also help ensure that development supports our region's growth management goals.

The presidents of the Urban League affiliates in Detroit and Chicago would be envious if they could visit Portland and see how healthy our inner city is compared to theirs. We believe that part of the reason for our relative health is a tight UGB, which is helping to deflect economic development from the fringe into already developed areas such as North and Northeast Portland. As you prepare to make this important decision on Urban Reserves, I hope you will give high priority to considering the costs and benefits for residents of North and Northeast Portland. Thank you for the work you do for the region and the constituents of the Urban League of Portland.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lawrence J. Dark".

Lawrence J. Dark  
President and CEO

112196- 310

*Nan Evans*  
*6510 SW Barnes Road*  
*Portland, OR 97225*

**EXHIBIT**

February 12, 1997

Metro Council  
Mr. Jon Kvistad, Chair  
600 NE Grand Avenue  
Portland, OR 97232

Dear Mr. Kvistad and the Metro Council:

As you consider designation of lands for future expansion of the Urban Growth Boundary, I want to let you know of the strong opinions of one Portland citizen:

1. I oppose any expansion of the UGB at this time.
2. I strongly oppose inclusion of good farm land in any consideration of possible future expansion of the UGB and therefore the inclusion of such lands in "Urban Reserves."

I urge you to maintain a special vision for the future of Portland and resist the motives of greed.

Thank you for taking my views into consideration. I know many of my friends and neighbors agree with me, even if they haven't taken the opportunity to contact you directly.

Sincerely,

Lowell E. Patton  
P.O. Box 85  
Carver, OR 97015

112196-

311

**EXHIBIT**

January 2, 1996

Susan McLain, Chair  
Land Use Sub-Committee  
Metro Council  
600 N.E. Grand Avenue  
Portland, OR 97232-2736

2040 URBAN RESERVE, CARVER AREA, SITE #81 - PATTON

Dear Councilor McLain:

I am pleased that Metro Executive Officer Mike Burton has recommended the subject property be included in the urban reserve study area, and has given it the highest overall rating of 70.

In reviewing the ratings by various factors, it appears that some need clarification.

Factor 3 - Access to arterials: The property borders State Hwy. 224 for approximately 1½ miles. It is ½ mile from State Hwy. 212 and 4 miles from Interstate 205. Thus I would think the access factor of 2 to be in error. Perhaps it is a misprint and should have read 20.

Factor 4 - Proximity to urban center: Site #81 is 5 miles from the Clackamas Town Center, 4 miles from Clackamas proper and 2½ miles from Damascas.

Factor 5 - Terrain: If we take the entire area 65% will average 5% slope, 12% will average 21% and 23% will average 27%. Thus the overall grade is less than 12%. The area was surveyed and platted prior to 1973 for 442 single family lots using only the more gentle slope area for development.

The Carver area has been a commercial and industrial center since the turn of the 20th century with shops, restaurants, grocery stores, a school, a fire hall, a bank, a sawmill, a rock quarry, and even at one time a passenger train station and a post office.

The land is virtually solid rock and as such is not suitable for agricultural purposes, including timber production. However, this property is ideally suited for urban multiple use development as industrial, commercial and residential.

The property is so located that it can all have gravity flow to a sewer main located along Hwy. 224. The sewer is currently only ½ mile away. Clackamas water district will soon connect to Clairmont nearby, which will give us public water for the entire area.

This area has all of the ingredients needed to be included in the urban growth boundary. It should have been included in 1979. It most certainly makes a logical and necessary addition at this time.

Very truly yours,

  
Lowell E. Patton

LEP/sp

CC: Mike Burton

Judie Hammerstad

Dave Seigneur

Tom Vanderzanden

Lowell E. Patton  
P.O. Box 85  
Carver, OR 97015

112196-312

## EXHIBIT

February 12, 1997

Susan McLain, Chair  
Metro Council Growth Management Committee  
Metro Councilor, District Four  
600 N.E. Grand Avenue  
Portland, OR 97232-2736

2040 URBAN RESERVES - MAP #12 - 190 ACRES, CARVER

Dear Councilor McLain:

In December 1995 Mike Burton, Executive Officer of Metro, made his recommendations of Urban Reserve Study Areas. Site 81, now Map #12, received a 70 rating - the highest.

On January 27, 1997 Mr. Burton indicated that the reason the Map #12 area was deleted was due to steep slopes, lack of infrastructure and services, and an absence of schools.

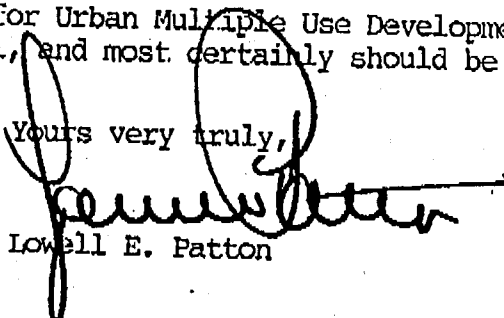
SLOPE: There are a few steep slopes, however, 65% of entire area will average at 5% slope; 12% will average 21% slope; 23% will average 27% slope. This equals 12% slope overall. See my letter of January 2, 1996, attached.

INFRASTRUCTURE & SERVICES: This property has 1½ miles of frontage on State Hwy. 224. We are ½ mile from State Hwy. 212, 4 miles from Interstate 205, and only 15 miles from Portland International Airport. We have both Damascus and Clackamas public water available here and the main sewer line along Hwy. 224 is only ½ mile from this property. PGE and Northwest Natural Gas already serve this area, as does Clackamas Fire District #71.

PUBLIC SCHOOLS: There are 18 elementary schools, 4 junior high schools, 3 high schools, and 1 skill center in this area, plus a number of private accredited schools, one of which is located adjacent. Oregon Trail Elementary is 2 miles, Sunrise Junior High is 2 miles, Clackamas High School is 5 miles, and a new high school is being planned much closer.

This property is ideally suited for Urban Multiple Use Development as Industrial, Commercial and Residential, and most certainly should be included in the 2040 Urban Reserve.

Yours very truly,

  
Lowell E. Patton

LEP/sp  
Encl.

CC: Mike Burton  
Judie Hammerstad  
Ed Linquist  
Bill Kennemer  
Tom Vanderzanden  
Dave Seigneur

John Kvistad  
Don Morissette  
Ruth McFarland  
Ed Washington  
Rod Monroe  
Patricia McCaig

January 28, 1997

Honorable Jon Kvistad, Presiding Officer  
Metro Council  
600 NE Grand Avenue  
Portland, OR 97232-2736

Subject: Urban Reserves

Dear Mr. Kvistad:

Please accept these comments from the undersigned agencies of the State of Oregon on the urban reserves proposed for designation by the Metro Council. Because of deadlines set by state law we are commenting before receiving and reviewing the Council's urban reserve findings. We will evaluate our comments in light of your findings once they are available.

The points set forth below were discussed by the directors of the departments of Environmental Quality, Transportation, Economic Development, Land Conservation and Development, Housing and Community Services and Agriculture.

We commend the methodology used by your staff to evaluate areas outside the Metro urban growth boundary for possible inclusion as "urban reserves." The information accumulated about each area is considerable and facilitates your and the public's understanding and analysis of your decision.

As you know from our previous comments, our participation on MPAC, MTAC and the 2040/State Task Force, and the many technical assistance grants we have made to local governments in the region, the Governor's Office and the Community Solutions Team agencies firmly support the direction the region has taken in your 2040 Growth Concept. The region's commitment to compact, mixed-use, pedestrian and transit-friendly patterns of development aligns well with state growth management interests and goals. The concept strives to minimize the cost of public services, maintain air quality, provide affordable housing and minimize loss of commercial agricultural land. Your decision on urban reserves is one - but an important one - of many decisions before you that can reinforce your 2040 growth Concept. We offer these comments on the Council's proposed urban reserves in order to assist the Council to achieve the objectives of the growth concept.

### **Agricultural Land**

The council's proposal would designate as urban reserve some 3,300 acres of land zoned for agriculture. We fully expected Metro to designate a small amount of agricultural land due to the isolation of some small tracts at the perimeter of the current urban growth boundary, the irregular nature of the boundary itself, and the need of local governments to plan a cost-effective system of public facilities and services. In fact, LCDC's rule on urban



reserves contemplates the inclusion of agricultural land that is surrounded by land designated for nonresource use or to respond to a specific need or circumstance that cannot be accommodated on rural land already designed for development (OAR 660-21-030).

We are concerned, however, that your proposal would include large tracts of highly productive commercial agricultural land with, as yet, no justification based upon the methodology used by your staff and Executive Officer in his recommendation to you. The Council's departure from this or any other apparent methodology also renders it impossible to evaluate the proposal for conformance to LCDC's rule on urban reserves - other than to say the proposal does not yet comply with it. Which of the agricultural tracts are included in your proposal because they are surrounded? Which are included to satisfy a specific need? Why can that need not be accommodated within the existing UGB or on "exception" land near the boundary? Which agricultural tracts are included because of constraints on other land? Which are included to maximize efficiency of land uses?

Agricultural land in the north Willamette Valley is exceptionally productive and of great importance to the region and state. Commercial agriculture in the three metropolitan counties generates \$453 million in farmgate receipts (1995) and \$2 billion in total production and employs 22,200. A significant loss of land base will be felt by farmers, processors, equipment dealers and other players in the agricultural industry.

If the metropolitan region must expand onto land zoned for agriculture, Metro must ensure that it moves onto the least productive land (See Goal 14). Please consider the map of agricultural land in the region that was produced by your staff. It differentiates farmland by capability and demonstrates that, in general, land adjoining the west end of the metropolitan region has higher capability than land adjoining the east end of the region. The Council should compare this with the proposal under consideration, which includes 1,422 acres of agricultural land at the perimeter of UGB, mostly at the west end. This is the wrong direction for the future of commercial agriculture (note in particular Areas 39, 41, 54-55, 56, 59, 62, 65 and the comments in Appendix 1).

To avoid these lands, we ask the Council to consider the following "exception" areas you studied but rejected: Areas 20 and 46 and the exception portions of URSA's 60 and 1 east of Highway 26. If these are not sufficient, we ask that you consider "exception" areas not among the final 72 areas studied (see examples in Appendix 2). It is our understanding that the Council limited its study to some 23,000 acres when it appeared it would need to designate only 14,000 acres of urban reserve. Now that the Council is considering a designation of 18,200 acres of reserve, it may be necessary to evaluate additional "exception" lands.

### **Jobs/Housing Ratio**

We are aware of your concern for the ratio between jobs and housing in the metropolitan region. We share your concern that a serious imbalance can adversely affect the region's and state's transportation system and quality of life in the region's communities. We also share your belief that land use and transportation decisions can exacerbate or alleviate an imbalance. That is why



LCDC, at Metro's request, amended the urban reserve rule to provide that a need to redress a job/housing imbalance can be a basis for designation of "lower priority" land for urban reserve.

Because Metro has not yet set forth its rationale for inclusion of particular tracts of agricultural land, and because the Council has departed from the methodology employed by the staff and the Executive Officer, we cannot determine which agricultural tracts, if any, are intended to redress jobs/housing imbalance. Nonetheless, we are aware of your information indicating that the east end of the regions is currently "housing rich" and the west end is "jobs rich." In the absence of your rationale, we must caution that a decision to include large tracts of productive agricultural land at the west end, without analysis showing that an imbalance cannot be relieved by redesignating buildable land within the UGB, or by designating additional "exception" land, would not be soundly based and would not satisfy the Urban Reserve rule.

If you are considering reliance upon OAR 660-23-030(4)(a) ("specific, identified land need") to support designation of agriculture land as urban reserve, please consider the following:

Although some exception areas are not suitable for commercial or industrial use, most are suitable for residential development. Hence, it will be more difficult to justify the inclusion of agriculture land for residential use in a "jobs rich" region if exception areas are available.

The semi-conductor industry in Washington County is highly integrated and provides substantial employment centers with vacant land to accommodate significant growth. Smaller start-up and support companies will likely dominate growth in the industry in the foreseeable future - as Hillsboro recognizes with its proposal to allow creation of smaller tracts of land within its industrial reserves. These uses can be located in a variety of industrial and commercial zones throughout the county. Appendix 3 shows the location of only the larger sites available, representing a considerable opportunity for industrial growth.

Much testimony to Metro indicates that the semi-conductor industry of Washington County serves as a major employment center for the entire metropolitan region. It does and will provide employment for a disproportionate number of people living elsewhere in the region. Some imbalance in the jobs/housing ratio in favor of jobs should be expected.

The electronics and agriculture industries in Washington County are both important to the region and the state. One need not prosper at the other's expense. A decision to include large tracts of productive commercial agricultural land for expansion of the electronics industry must be supported by compelling facts and analysis. The region is in the midst of an effort to document the role of agriculture in the region and the factors critical to its long-term viability. The study was initiated by the departments of Agriculture and Economic Development and funded by the regional strategies boards of all three metro area counties. The Council should await the results of this study prior to consideration of inclusion of the agricultural land identified in Appendix 1.

We encourage Metro to address the need for additional industrial employment opportunities on the east side of the region (Clackamas County), where the jobs/housing ratio is "housing rich" and "jobs poor". Appendix 4 lists some of the areas we believe may serve this purpose.

## **Amount of Land**

When Metro began its process to designate urban reserves, LCDC's rule required Metro to designate an amount of land sufficient to accommodate a 30-year supply beyond that contained in the UGB. At Metro's request, LCDC amended the urban reserve rule to remove the 30-year requirement. The rule now gives Metro the flexibility to designate as little as a 10-year reserve and as much as a 30-year reserve. We hope you will be mindful of this flexibility as you move toward a final designation decision. Of course, all designated land must comply with other provisions of the rule.

## **Transportation**

Several proposed urban reserve areas would directly impact the State highway system. In the long-term most of these areas could be served by highway improvements. The large urban reserve areas proposed along Highway 212 (Damascus and Rock Creek) and Highway 213 (Beavercreek) would necessitate improvements to the state facilities. There are no projects scheduled in the short-term that would improve these facilities to urban standards. Assuming that these highway limitations are taken into consideration when Metro stages development, the state supports including the areas proposed in Damascus, Rock Creek and Beavercreek.

Urban reserve areas proposed along Tualatin Valley Highway in Washington County are problematic to the state. Land flanking TV Highway already is heavily built. The highway right-of-way is mostly built to capacity. Additional traffic demand arising from expansion of the urban area will be difficult and costly to serve. Large-scale expansion of the urban growth boundary in the T-V Highway corridor would, therefore, be incompatible with the state highway system.

Given the difficulty of funding needed transportation improvements in the existing UGB, the state will expect that development in these urban reserve areas will share the cost of bringing rural state highways up to urban standards.

## **Environmental**

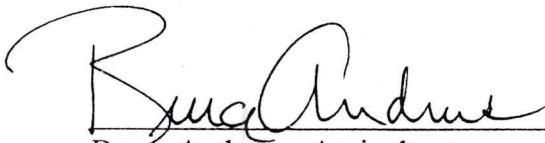
During our review of the proposed urban reserve areas attention was drawn to two areas next to Gresham adjacent or proximate to Johnson Creek (URSA's 4&5). We encourage Metro, if these areas remain in the urban reserves, to require development regulations designed to avoid runoff into Johnson Creek that will increase downstream flooding. Such measures will be critical to the success of current efforts to revitalize areas like the Lents town center.

## **Conclusion**

We recognize and appreciate the difficulty of the decision before you. These comments are intended to assist the Council to make urban reserve designations that comply with the rule. Nevertheless, the Council has not yet shown that its proposed urban reserve designations are in

the best interest of the region or the state or that they comply with the state's urban reserve rule. We will evaluate statements in this correspondence following review of the Council's draft findings that are due in the next few days.

Given the flexibility afforded Metro by a recent amendment of the Urban Reserve Rule (that is, allowing a 10-30 year reserve), we encourage the Council not to designate at this time the agricultural land identified in Appendix 1. Results of the current study of agricultural viability in the Metro area due this Spring should be available before final consideration of these agricultural lands is concluded.

  
\_\_\_\_\_  
Bruce Andrews, Agriculture

1/28/97  
Date

  
\_\_\_\_\_  
William C. Scott, Economic Development


1/29/97  
Date

  
\_\_\_\_\_  
Richard P. Benner, Land Conservation &  
Development

1/28/97  
Date

  
\_\_\_\_\_  
Grace Crunican, Transportation

1/28/97  
Date

  
\_\_\_\_\_  
J. Langdon Marsh, Environmental  
Quality

1/21/97  
Date

## APPENDIX 1

The METRO Council has identified significant tracts of agricultural land as urban reserves. Much of the land identified is highly productive, currently in commercial production and part of much larger blocks of agricultural land. Comments provided below are specific to individual urban reserve study areas (URSA) and include remarks involving consistency with state law. Only compelling reasons, based upon a demonstration that alternatives have been exhausted, can justify designation of these lands.

### URSA #39

This tract is not completely surrounded by exception lands. It is part of a 190.25 tax lot which is currently farmed as one unit. It is composed predominantly of Aloha silt loam, 3 to 6 percent slopes. This soil is prime farmland.

### URSA #41

Objection to the inclusion of the agricultural lands located east of 110th Ave. and north of SW Westfall Road. These lands are not completely surrounded. They are composed predominantly of prime farmland including the following soils: Aloha silt loam, 0 to percent slopes; Aloha silt loam, 3 to 6 percent slopes and Woodburn silt loam, 3 to 8 percent slopes.

### URSA #54

The agricultural lands located within this area are not completely surrounded by exception lands. They are part of a very larger ownership which is farmed as one unit. This highly productive agricultural land is composed predominantly of prime farmland including the following soils: Aloha silt loam, 0 to percent slopes; Woodburn silt loam, 0 to 3 percent slopes and Woodburn silt loam, 3 to 8 percent slopes.

The removal of these agricultural lands changes the character of the exception lands located in the southern portion of the URSA. Standing alone, the exception area protrudes out into agricultural lands. Designation as an urban reserve area would allow for the future urbanization of a finger of land amongst highly productive agricultural land. We recommend that the western portion of this exception area not be designated as urban reserve and that the remainder be "squared up" with URSA #52.

4. Exception area portions of URSA 1 located east of Highway 26.

Exception Lands located to the east are of similar character as those located to the west and should be included before productive agricultural lands. The Easter block includes a large parcel (east of and adjacent to SE 267th) which appears to have excellent development potential. Highway 26 does not establish a logical boundary. It runs away from the UGB, not parallel to it. Lands within the existing urban growth boundary are located on both sides of the Highway. Inclusion of these lands would be a logical extension of the existing urban development pattern.

There are also numerous exception areas located adjacent to the existing urban growth boundary areas proposed for urban reserves that were not among the final 72 areas studied that should be considered before agricultural lands. Many of these areas contain large blocks of vacant land which appear to be highly suited for future development. In many cases, some of these areas appear better suited than other exception lands that were designated by the Council. Below is a partial listing of some areas we believe should receive consideration. These areas total approximately 5438 acres. Approximate acreage for each area were measured from METRO quadrangle maps which show the URSAs adopted by the Council on February 8, 1996. We request that these maps be entered into the record.

1. Exception area located east of and adjacent to URSA #66 and south of Springville Road.

This area contains approximately 55.2 acres and includes several larger parcels which appear to be suited for development

2. Exception area located east of and adjacent to Glencoe Road and north of and adjacent to UGB.

This area contains approximately 80.04 acres and includes a large parcel located at the intersection of the urban growth boundary and Glencoe Road.

3. Exception area located east of Cornelius-Schefflin Road adjacent to URSA #60.

This area contains approximately 23.92 acres. It is located adjacent to exception lands with URSA #60 which were not designated (see comments above).

4. Exception area located south of and adjacent to URSA #50.

These exception lands are approximately 206.08 acres in area. It is similar in character to URSA #50 which was designated. It contains large blocks of undeveloped land (see METRO aerial photo) which appear highly suited for development. Examples include:

Tax Lot IS225000700 69.4 acres farm and woodlot  
Tax Lot IS2250002800 38 acres woodlot  
Tax Lot IS2250003700 25 acres woodlot

5. Exception area located west of SW 175th and west of northern part of URSA 49.

This area contains approximately 126.04 acres. It has similar characteristics as the adjacent URSA which was chosen. According to the METRO quad map and aerial photo, it contains several larger parcels, especially in the northern part near the intersection of Weir Road and SW 175th..

6. Exception area located between URSA 48 and URSA 47 (south of and adjacent to Beef Bend Road).

This area contains approximately 191.36 acres, including some large tracts of undeveloped land. Example: Tax Lot 2S116B000301, comprised of 38.94 undeveloped acres.

7. West side of Sherwood UGB, exception lands located east of Elwert Road and south of Edy Road.

This area contains approximately 82.08 acres. It is located in a notch of the urban growth boundary. Inclusion of these lands would "infill" into the notch. Larger tax lots located in this block of land includes:

Tax Lot 2S130C000500 28.33 acres  
Tax Lot 2S130C000400 14.66 acres  
Tax Lot 2S130C000200 14.25 acres

8. Tax lots located along the southern edge of Tualatin, similar to URSA 43

This first "tier" of tax lots located adjacent to the urban growth boundary are similar to URSA #43 which was chosen by the Council. This tier contains approximately 122.36 acres.

9. Areas located south and west of and adjacent to URSA #42.

This area contains approximately 297.16 acres. According to the METRO quad maps and aerial photo, there are substantial large tracts of undeveloped land in these areas. For example, Tax Lot 3 IW1000100, located south of URSA 42 and adjacent to the Wilsonville T T (~R ic 3~ acres in size.

10. Exception area located north and west of URSA #35 adjacent to Wilsonville UGB.

This area contains approximately 51.52 acres and is of similar character as the adjacent URSAs which were chosen.

11. Exception areas located west of West Linn and URSA #30.

This area contains approximately 1259.48 acres. It is similar in topography to adjacent URSAs that were chosen by the Council. Larger tracts of land are located throughout these exception lands (see METRO quad maps).

12. Exception areas located adjacent to URSAs #25 and #26 (Beavercreek area).

These areas contain about 299 acres to the west of the URSAs and 119.6 acres located to the south. Some of these areas could be picked up by "squaring up" the boundary of the URSAs (eg Carus Rd/Beavercreek Rd. area). Large tracts are located on western edge that ~o beyond "squaring up." For example; Tax Lot 32E2100790, comprising 37.5 acres.

13. Exception area located east of and adjacent to URSA 24.

According to the METRO quad map, this area contains several larger tracts. The area is approximately 69.92 acres in size.

14. Exception areas located west of URSAs #18, #19 and #20 (straddles Redland Road).

The area measured contains approximately 1304.56 acres. There are many more acres of exception lands located further to the east. The METRO quad maps and aerial photos indicates that these exception lands contain numerous large, undeveloped tracts.

15. Exception areas located adjacent to URSA #17.

This area contains approximately 779.24 acres. Several larger parcels are located in the area which appear to be suitable for development.

16. Exception areas located west and north of URSA #15.

These lands are of similar character and topography as the adjacent URSAs that were chosen by the Council. The block of parcels located along the western boundary of URSA #15 comprises approximately 160.08 acres. The tier of parcels located to the north contains approximately 98.44 acres.



## APPENDIX 2

Many of the Urban Reserve Study Areas (URSAS) include both agricultural lands and exception lands within their boundaries. Exception lands by definition are not resource lands, yet they were evaluated for their agricultural retention and compatibility. All lands within any given study area were evaluated together as one unit.

This presents an inherent flaw in the ratings used in the URSAmatic. Exception lands are earmarked by the law as first priority for designation as urban reserves. When evaluated with agricultural lands, as is the case in numerous situations around the urban growth boundary, these exception areas are included within blocks of land that are rated low for protection of agricultural land (Factors 6 and 7). These low ratings could be the reason why many exception lands have not been included in the proposed urban reserve designations. URSA #60 is a good example. It is rated 3 for both factors. This URSA includes 140 acres of exception land adjacent to the UGB. Because these lands are not resource lands, they should be rated 10 for each agricultural land factor.

We believe that exception lands should be evaluated as separate units for possible inclusion as an urban reserve area. This adjustment may very well allow for the inclusion of more exception lands and a reduction in the number of agricultural lands. Listed below are several areas that were studied but not include that we believe should be designated as urban reserves before productive agricultural lands.

1. Exception portions of URSA #60

See discussion above.

2. URSA #46

This area contains 106 acres of exception lands.

3. Exception portions of URSA #20.

This area contains 157 acres of exception lands which are located adjacent to many more acres of exception lands in the Redland Road area which were not studied (see comments below).

#### URSA #55

The agricultural lands located within this area are not completely surrounded by exception lands. The eastern block is part of a very large ownership (included in URSA #54) which is farmed as one unit. This highly productive agricultural land is composed predominantly of prime farmland including the following soils: Aloha silt loam, 0 to percent slopes; Woodburn silt loam, 0 to 3 percent slopes; Woodburn silt loam, 3 to 8 percent slopes; Huberly silt loam; Quatama loam, 0 to 3 percent slopes and Quatama loam, 3 to 7 percent slopes..

#### URSA #56

This tract is not completely surrounded by exception lands. This agricultural land is currently in farm use and is predominantly composed of prime farmland including the following soils: Quatama loam, 0 to 3 percent slopes; Quatama loam, 3 to 7 percent slopes; McBee silty clay loam and Wapato silty clay loam.

#### URSA #59

This tract is not completely surrounded by exception lands. This agricultural land is predominantly composed of prime farmland including the following soils: Woodburn silt loam, 0 to 3 percent slopes; Woodburn silt loam, 3 to 8 percent slopes and Huberly silt loam. The small stream located on the northern edge of this area does not appear to present a significant barrier to employing this tract for farm use either by itself or in conjunction with other agricultural lands in the area.

#### URSA #62

This tract is not completely surrounded by exception lands. This highly productive agricultural land is currently in farm use and is composed predominantly of Amity silt loam which is prime farmland. The agricultural land located north of Highway 26 is part of a larger tax lot which is part of a much larger contiguous ownership. Urbanization of this small portion of a larger ownership could represent a future leapfrog north and west of Highway 26 into a larger agricultural area. It could also impact agricultural lands located to the east which are not proposed to be designated as an urban reserve area.

The removal of these agricultural lands changes the character of the exception lands located in the northern part of the URSA. The exception area protrudes out into agricultural lands. Designation as an urban reserve area would allow for the future urbanization of a finger of land amongst highly productive agricultural land. We recommend that this exception area not be designated as urban reserve.

## URSA #65

The agricultural lands located within this URSA are not completely surrounded by exception lands. These agricultural lands are currently in farm use, including a nursery operation on the eastern edge which is bisected by the URSA boundary line. They are composed predominantly of prime farmland and high-value farmland soils. These soils include: Helvetia silt loam, 2 to 7 percent slopes; Cascade silt loam, 3 to 7 percent slopes; Cornelius and Kinton silt loams 2 to 7 percent slopes; Cornelius and Kinton silt loams 7 to 12 percent slopes; Cornelius variant silt loam, 3 to 7 percent slopes and Cornelius variant silt loam, 7 to 12 percent slopes. Several of the tax lots located within the central portion of this URSA are under the same ownership or family ownership and appear, from aerial photos, to be farmed as a single unit (See URSA Study Area - Site 65 aerial photo, METRO Urban Reserve Study Areas Aerial Photos, not dated).

The removal of these agricultural lands changes the character of the exception lands located in the eastern part of the URSA. This exception area protrudes out away from the urban growth boundary into agricultural lands. Designation as an urban reserve area would allow for the future urbanization of a finger of land amongst highly productive agricultural land. We recommend that the eastern exception area not be designated as urban reserve.

## URSAs #18, #35, #51, and #52

These areas contain small amounts of agricultural lands on the edges of each area. We recognize that the study area boundaries do not follow parcel/lot lines. These areas need to be "squared up" along parcel/lot lines to exclude agricultural land which in most cases are part of larger units located outside the URSAs.

Soils information provided in the above comments was obtained from the following sources:

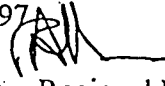
Soil Survey of Clackamas County Area, Oregon, U.S. Department of Agriculture Soil Conservation Service, November 1985.

Soil Survey of Washington County, Oregon, U.S. Department of Agriculture Soil Conservation Service, July 1982.

Clackamas County High-Value Farmland, Oregon Department of Land Conservation and Development, not dated.

Washington County High-Value Farmland, Oregon Department of Land Conservation and Development, not dated.

# MEMORANDUM

DATE: January 23, 1997 

FROM: Patrick M. Allen, Regional Development Officer  
Economic Development Department

TO: Jim Sitzman, Urban Team Coordinator  
Department of Land Conservation and Development

SUBJECT: Community Solutions Team Issues re: Metro 2040 Urban Reserve Study Areas

## Industrial Potential of Clackamas URSAs

URSAs 11, 13 and in the Damascus area have small parcels suitable for industrial development. URSA 14 has a large parcel which is less desirable, but still feasible as job-generating land. In all cases, proximity to existing road systems and service infrastructure is acceptable. Transportation access will be improved, and the desirability of these parcels significantly enhanced by the completion of the planned Sunrise Corridor project.

URSAs 24, 25 and 26 in the Beavercreek area all have relatively large parcels of high-potential industrial land. Parcels along Beavercreek Rd., Ferguson Rd. And on Highway 213 near S. Mitchell are relatively flat and could easily be developed for smaller industrial uses and business parks.

URSA 34 includes significant parcels adjoining I205 at Stafford Rd., and on Borland Rd. near the existing Urban Growth Boundary. Nearby high-end housing and excellent visibility from I205 make these sites good candidates for development similar to the Kruse Way office complexes east of Highway 217.

I have attached to this memo a map prepared by Clackamas County Department of Transportation and Development GIS Services which outline the above areas, and others recommended to Metro by a local committee of business and development interests. Note that in the Damascus area, my comments refer only to a small portion of the sites identified on the map, and particularly do not pertain to the area outside the proposed URSAs.

## State Policy Regarding Large Parcels

As you know, Washington County has maintained a zoning category called "Special Industrial," intended to preserve large parcels of industrial land. The purpose of this zoning was, in part, to provide suitable sites for large investments needed to provide the critical mass of companies required to help diversify the Oregon economy. Currently, jurisdictions in Washington county want to remove the "Special Industrial" designation, and allow smaller parcels, in part to accommodate supplier and other investments related to large high tech projects. These related

investments do not require the large parcels needed by the primary manufacturers sited to-date.

The Oregon Economic Development Department does not have a statewide policy interest in maintaining an "inventory" of large parcels in Washington County. Accordingly, we would not try to override local economic development policy and preferences in this area.

December 8, 1996

112196 - 314

Susan McLain  
Councilor, District 4  
METRO  
600 North Grand Avenue  
Portland, Oregon, 97232 2736

**EXHIBIT**

Re: Preliminary URAS's numbers 1, 202 and 203

Dear Ms. McLain:

Below are my comments from January this year regarding the Urban Reserves for the Damascus area. I wish to bring them up again to make sure Metro is aware of the problems we have in this area. Also, please remember the letter I sent with the copy of the information from the Damascus Water District saying they can't and weren't prepared for growth in this area also. Getting to the point fast, the infrastructure doesn't exist in the Damascus area for being included in the Urban Reserves.

*January 21, 1996:*

*Please enter into the record the following thoughts regarding the above Preliminary URAS's as they pertain to the Damascus area. On August 24, 1995 The Oregonian ran an article that listed the "most expensive areas for water, sewers and drainage services" and among these were areas 1, 202 and 203. In fact, if you look to your own information on these areas you will see that the area has slopes from seven to twenty-one percent. The point I'm making is sewers don't flow up hill, and most of the area in 203 and all of 202 would require expensive pumps to do just that. I'm not willing to give up my house to pay for the installation of such equipment when there are other areas that are being considered can have gravity flowing sewers. If you are going to allow future mass housing in this area, then you must make sure the developers pay for all the costs of the infrastructure.*

*My suggestion for those who want part of Damascus included in the URSA's would be to draw the line at S.E. 172nd Avenue running north to south, where the natural break of the land occurs. While this wouldn't include the Damascus central business zone, this area could become part of the already over developed Sunnyside Road area. The only thing that would have to be built right away would be the widening of Oregon State Highway 212 to four lanes in the area. Past this area, all building in the Damascus area would be stopped or slowed for the future.*

*To close, thank you for allowing me to enter more of my comments into the record regarding the URSA's.*

Ms. McLain, thank you for your time and I welcome any conversation on anything regarding this subject or any that you think I may be interested in.

Sincerely,

Signed

Stephen E. Calderwood  
(658-7510)

Post Office Box 129  
Boring, OR 97009-0129



McKeever/Morris, Inc.  
722 S.W. Second Avenue  
Suite 400  
Portland, Oregon 97204  
fax 503 228-7365  
503 228-7352

112196-315

## EXHIBIT

### MEMORANDUM

2 PAGE(S) VIA FAX

DATE: December 11, 1996

TO: Metro Council Members @ 797-1793

FROM: Paul F. Morris, ASLA  
Vice President

SUBJECT REF.: Reconsideration of Site #53 For Urban Reserve Inclusion

Comments: The purpose of this memorandum is to provide you will important information relating to this 200 acre site and its context in the Urban Reserves decision making process. It is critical to make well informed decisions about growth in our region. I hope this information will help you in your efforts.

#### THE SITE

Prior to last week's hearing, Steve Janik met with several Metro councilors to present extensive research and analysis supporting the inclusion of Site #53 in the urban reserves.

Our analysis of the findings from Metro's modeling showed that this property, of the 72 sites under consideration, should be ranked in the top 10% for inclusion, save for two criteria - agricultural capability and agricultural suitability. However, Metro's evaluation of these two criteria failed to incorporate critical site conditions.

Prior to last week's hearing we submitted comprehensive evidence illustrating that the 183 acre EFU designated portion is unfit for agricultural use. Mapping of soils in the general area may suggest it is suitable and capable of sustaining agricultural activity. However, site investigation and scientific analysis confirm it cannot.

Here are the facts. The property is:

- An abandoned tree farm/nursery since 1980.
- Covered with diseased, dying and ingrown/overgrown trees.
- Surrounded by non-agricultural uses.
- Non-economical to farm.

*The soils were scientifically analyzed and found to require extensive rehabilitation to make the site useful for future farming.*

*The potential to farm is lost because the financial cost to remove the trees, trunks, and roots and restore the nutrient depleted soil will be over \$500,000. No agricultural enterprise can amortize those costs.*

*The efforts to farm a part of the site a few years ago were abandoned due to the condition of the site and soil.*

*The testimony by Councilors last week stated the site was recommended for withdrawal because, "the maps showed it was good for agriculture". The recommendation for reserve exclusion was based on bad information.*

- The site has immediate access to full transportation and utility infrastructure to support urban densities and mixes to meet 2040 buildout recommendations.
- The site is next to urban development and surrounded by Non-EFU activities with no opportunity to connect to nearby EFU agricultural uses to the south and west (as has been suggested).

**The reserve criteria should make Site #53 a key urban reserve site.**

### THE CONTEXT

With Site #53 and other abutting reserve properties, Metro and the city of Hillsboro have a rare opportunity in the region to develop an appropriately scaled master plan development area on a site suited for urban consideration.

- The site is supported by good community planning goals.
- The site is near a city with the ability and commitment to serve it.
- Over 500 acres of actively farmed EFU land north of Hwy. 26 in Washington County were included in last week's urban reserve recommendations. These sites cannot be served effectively by a city and do not support good community planning goals.

Only fully informed decision making will ensure the right reserves are identified and considered for future regional growth. The goal should be to consider those sites that:

1. Are unsuitable for agricultural use;
2. Support Good Community Planning Goals; and
3. Are readily located for service by a nearby city.

**Site #53 passes this test.**

We believe Site #53 is an appropriate and qualified site for urban reserves and are requesting your support for inclusion.

Thank you for your time. I am available for further discussion at your convenience. Please feel free to contact me at my office: 228-7352.

End.



February 3, 1997

Metro Councilors  
600 NE Grand  
Portland, Oregon

Subject Property: Tax Lot 00103 - Map 25 - 10600 Washington County  
Urban Reserve Area #49

Dear Councilors:

I realize that you have listened to countless hours of testimony both written and oral. While one more message from an individual owner without political connections will probably fall of deaf ears, I would like to explain in my own words why I feel it was a mistake not to include my property in the Urban Reserve classification.

In October of 1979, I purchased the 54.92 acres which had a forest land designation. The Washington County Planning Department assured me that the AF-10 zoning would allow me to subdivide the property into 10 acre residential tracts after I had taken the limited amount of timber off the ground. The people in control of the zoning at that time seemed as equally dedicated, sincere and as authoritative as the voices I now hear telling me my property should be reserved for future generations. After paying property taxes for 17 years in the expectation of being able to sell the property for retirement purposes, I'm told that the property won't have any such capacity until the year 2040 or thereabouts. Meanwhile I have reached retirement age.

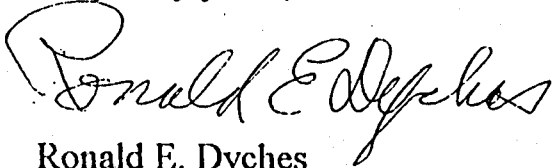
As I understand it, your argument is that AF-10 in Lane County and Washington County is equivalent to EFU. No other counties in the State take this position I'm told. The position that AF10 is an equivalent to EFU and AF-5 is not, is technically inexplicable. Size, rather than soil conditions, is not a determinant of what can grow on ground. The soil on my parcel is woefully inadequate for agricultural purposes whether you call it EFU, AF-10 or AF-5. Nothing has been grown on the ground in recent history other than the assorted timber which I have removed to help defray my carry expenses. It would take approximately 60 years to raise another crop of fir trees.

The property fronts on Scholls Ferry Road close to the interchange with new Scholls Ferry Road. As a matter of fact, ODOT is taking a strip of my land for realignment of Scholls leading to the new intersection with Beef Bend Road. Thus, the property will be between two busy intersections.

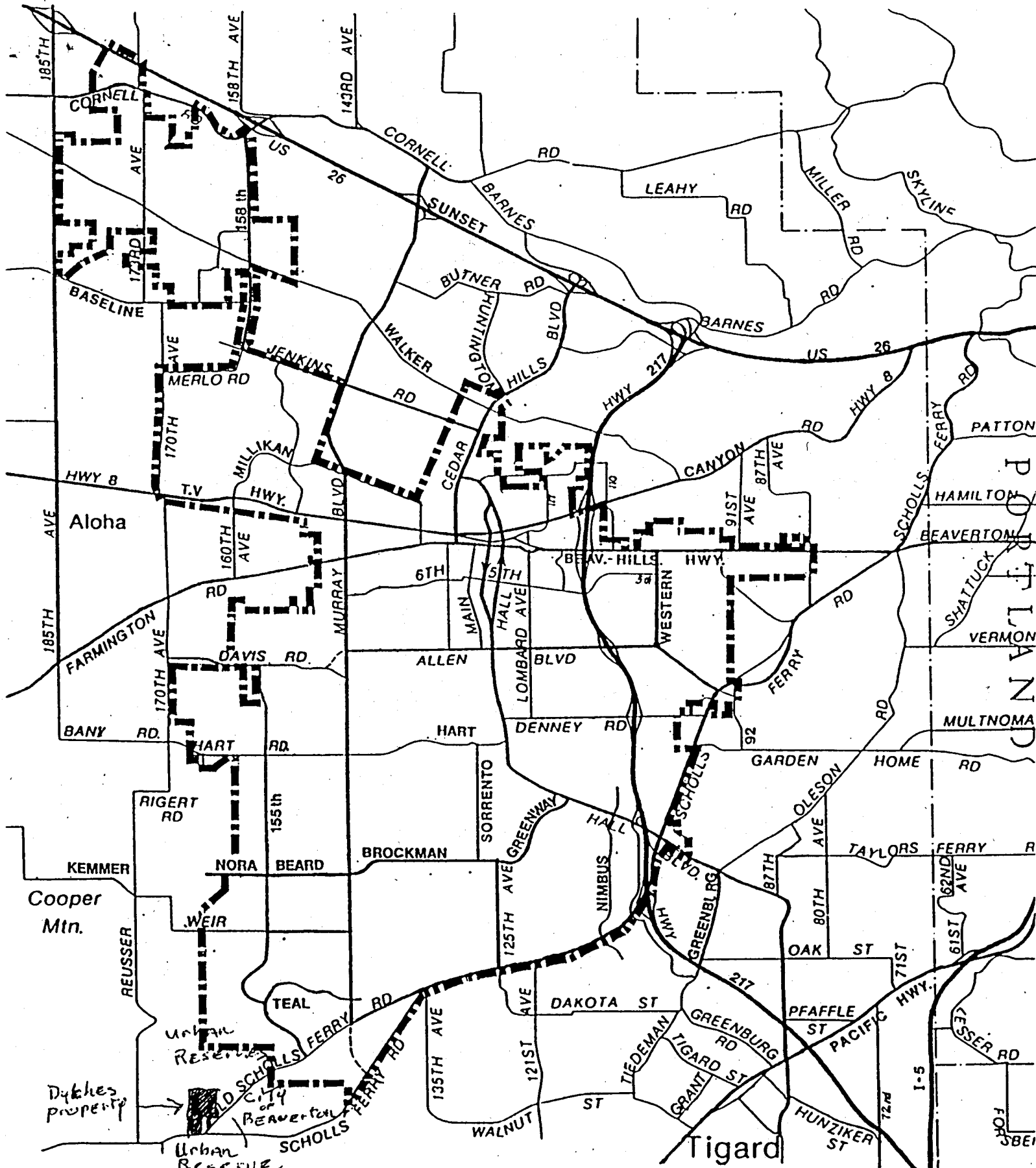
The Beaverton School District, recognizing the growth in this area has serious interest in acquiring a portion of the frontage for a school site. I would hope the Metro councilors would realize these expanding needs would be best met by allowing development on grounds surrounding the schools.

I'm attempting to be brief but I wish the commissioners could explain the inclusion of the property to the north and south of me with the eastern side in the UGB and the City of Beaverton already. It seems unfathomable that my property should jut into this Urban area as an exception.

Very truly yours,

A handwritten signature in cursive script that reads "Ronald E. Dyches". The signature is written in black ink and is positioned above the printed name.

Ronald E. Dyches



# CITY OF BEAVERTON

1 Inch = 4600 feet



THE URBAN GROWTH BOUNDARY  
- Where do we go from here?



112196-336

Dear Metro Councilor:

your note on Urban  
Reserves will be remembered.  
Myself and my neighbors do not want  
any farm or forest land added to Urban  
Reserves. We do not want the UGB expanded  
at all. I urge you to vote for only a very small amount of land  
into urban reserves. Only very small areas that may already be  
surrounded by development and no farm or forest land. Pat Kibbe

Metro Regional Government  
600 NE Grand Ave.  
Portland, OR 97232

THE URBAN GROWTH BOUNDARY  
- Where do we go from here?

112196-337

Dear Metro Councilor:

I would like to express my concern over the expansion of the urban growth boundary. The Metro Portland area has the resources to absorb a considerable amount of population growth. I suggest we develop our urban area into a livable, sustainable, high density housing area before we destroy any more arable land; and <sup>thus</sup> cause more of



Metro Regional Government  
600 NE Grand Ave.  
Portland, OR 97232

the suburban sprawl that is degrading the outer edges of Portland.

Thank you -

Jennifer Conlee  
5010 SE Brooklyn  
Portland, OR 97206

THE URBAN GROWTH BOUNDARY  
- Where do we go from here?

112196-338

Dear Metro Councilor:

Though it is clear that the area is expanding, both in population and economically, it does not seem necessary to be so overwhelmingly liberal in the amount of land we must infringe on to accommodate this growth. I sincerely urge all of you to constrain the expansion and only expand if it seems unlikely that we can manage with the given land. (18,000 acres seems too large). I lived in Los Angeles for four years, and returned here because the conditions were intolerable. I would like my kids (and theirs) to have the same quality of life that I have for the majority of my life in Oregon. It's what makes Oregon better than any other state! Please reconsider a lesser amount of land to begin with & only expand if needed.

TO:

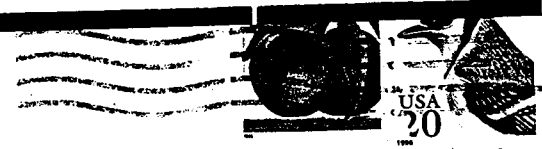
Metro Regional Government  
600 NE Grand Ave.  
Portland, OR 97232

Eric McGuire  
1777 NW 173rd Ave #603  
Beaverton, OR 97006



112196-339

THE URBAN GROWTH BOUNDARY  
- Where do we go from here?



Dear Metro Councilor:

Please hold the  
UGB of Feb 13!

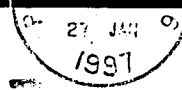
Expand only when  
- necessary... A-  
ever-expanding UGB is  
-o UGB.

-John Wiltsie

Metro Regional Government  
600 NE Grand Ave.  
Portland, OR 97232

THE URBAN GROWTH BOUNDARY  
- Where do we go from here?

112196-340



Dear Metro Councilor:

There is no need to  
expand the UGB -  
we need to use  
what resources we  
currently have within  
the boundary.

Metro Regional Government  
600 NE Grand Ave.  
Portland, OR 97232

23





112196-341



30000 SW Town Center Loop E  
Wilsonville, Oregon 97070  
(503) 682-1011  
(503) 682-1015 Fax  
(503) 682-0843 TDD

January 28, 1997

Jon Kvistad, Presiding Officer  
Metro Council  
600 N.E. Grand Ave.  
Portland, OR 97232-2736

Dear Mr. Kvistad and members of the Council:

Thank you for your recent actions on the Urban Reserve Study Areas around Wilsonville. As you know, we played a very active part in that process because we feel that these are critical decisions for the future of our community and the region.

As you take up the issue of adopting findings in support of your Urban Reserve decisions, we have some suggestions that may help. Essentially, we would support reducing the total amount of Urban Reserve land around Wilsonville, in specific locations, if that will help you to make the appropriate findings.

Please consider the following possible changes:

Area #35: Reduce this area from 48.1 to 4.75 acres as shown on the attached map. Net reduction: 43.35 acres.

Area #36: This 33.21 acre URSA was not included in the Urban Reserves as of 12/12/96, on the grounds that it is an unbuildable riparian zone. We are asking that the Council reconsider this decision because our City is better equipped to protect the area from inappropriate development or environmental damage than is Clackamas County. Note that the City of Wilsonville has a tree ordinance that would govern logging activities in the area if it was within Wilsonville's UGB. The County does not regulate logging in the area. We cannot see the merits of making Area #37 an Urban Reserve unless this intervening strip is also included. Net increase: 33.21 acres.

Area #37: No change is recommended. Entire area was included in Urban Reserves on 12/12/96.

Area #38: No change is recommended. Entire area was excluded from Urban Reserves on 12/12/96.



- Area #39: This area was included as a 13.2 acre Urban Reserve site on 12/12/96. Please note that there appears to be a minor mapping error with this site. This is the 20 acre site that has been offered to the West Linn - Wilsonville School District by the Division of State Lands. Net increase: 6.8 acres.
- Area #40: No change is recommended. Entire area was excluded from Urban Reserves on 12/12/96.
- Area #41: Reduce this area from 418.8 to approximately 265 acres as shown on the attached map. Net reduction: approximately 153.8 acres.
- Area #42: No change is recommended. Entire area was included in Urban Reserves on 12/12/96.

If we can provide further information about these recommendations, or if we can assist in the preparation of the findings to support these actions, please feel free to contact me or our Planning Director, Stephan Lashbrook.

Thanks again for your hard work and for your consideration of our recommendations.

Sincerely,



Charlotte Lehan  
Mayor

cc: Mike Burton, Metro Executive Officer  
Wilsonville City Council

Attachment: Map of proposed changes

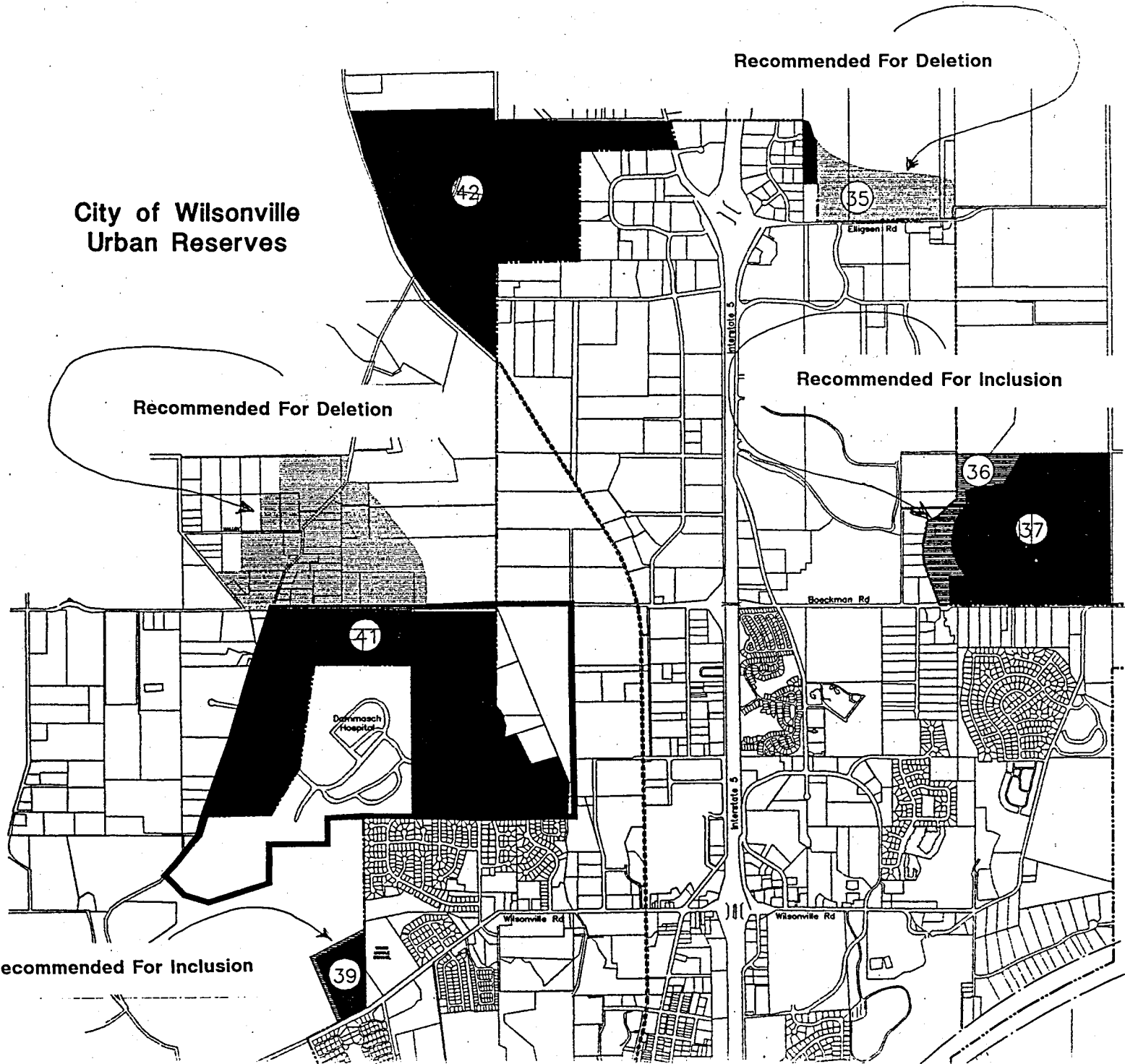
**City of Wilsonville  
Urban Reserves**

**Recommended For Deletion**

**Recommended For Deletion**

**Recommended For Inclusion**

**Recommended For Inclusion**





**City of Portland**  
**Vera Katz**  
**Mayor**

January 17, 1997

Metro Council  
600 NE Grand  
Portland, Oregon 97232

Dear Metro Council:

The City of Portland's Growth Management Committee is an advisory body to the Mayor and is composed of the people on the list attached. We are concerned about the process used to determine the amount of acreage and sites to be held in urban reserves. The Committee urges the Council to reverse the backward process of determining the amount of urban reserves, re-examine its overall decisions and delete from consideration for urban reserves the more than 3,200 acres of prime farm land.

Metro originally laid out a process that would examine seventeen factors in the urban reserve selection process. MPAC and local jurisdictions were in support of this process. The Growth Management Committee disagrees with the Council's decision to not follow the process through completely. This allowed for a flawed conclusion that did not comprehensively view potential sites and the amount of acreage needed to be held in reserve.

The Growth Management Committee suggests that not listening to MPAC's and local jurisdiction's recommendations will continue to rend a tear in the relationship between the Metro Council and these entities. If this tear is not mended we are concerned that it will ultimately impact our overall ability to implement the functional plan. Please listen to MPAC and local jurisdictions. Take the time to re-examine your process and your decision. But, if you decide to proceed, please preserve the 3,200 acres of prime farm land that are currently considered part of the 18,000 acres for urban reserves.

Sincerely,

Steve Schell  
Chair

**CITY OF PORTLAND  
GROWTH MANAGEMENT COMMITTEE**

November 16, 1994

**Steve Schell**

Black, Helterline  
707 SW Washington  
Portland, OR 97205  
224-5560, FAX: 224-6148

**G B Arrington**

Planning, Tri-Met  
4012 SE 17th  
Portland, OR 97202  
238-4977  
FAX: 239-6497

**David Bell**

GSL Properties  
2164 SW Park Place  
Portland, OR 97205  
224-2554

**Bill Blosser**

CH2M Hill  
825 NE Multnomah, St. 1300  
Portland, OR 97232  
235-5000 x4683  
235-2445

**John Bonn**

City of PDX, Urban Services  
1120 SW Fifth, Room 1250  
Portland, OR 97204  
823-6964  
FAX: 823-5384

**Rich Carson**

Oregon City Community Dev.  
P O Box 351  
Oregon City, OR 97045  
657-0891  
FAX: 657-3339

**Heather Chrisman**

Lake Oswego City Council  
940 Upper Devon Lane  
Lake Oswego, 97034  
244-7185

**Steve Dotterer**

PDOT  
1120 SW Fifth, Rm. 702  
Portland, OR 97204  
823-7731  
FAX: 823-7576

**Mayor Rob Drake**

City of Beaverton  
P O Box 4755  
Beaverton, OR 97076  
526-2481  
FAX: 526-2571

**John Fregonese**

Director of Planning  
Metro  
600 NE Grand  
Portland, OR 97232  
797-1738  
FAX: 797-1794

**Gregory Greene**

Air Qual. Mgr., DEQ  
811 SW sixth  
Portland, Or 97204  
229-5397

**Marge Ille**

Housing Authority of PDX  
135 SW Ash  
Portland, OR 97204  
273-4515

**David Knowles**

Portland Planning Director  
1120 SW Fifth, Rm. 1002  
Portland, OR 97204  
823-7701  
FAX: 823-7800

**Ned Look**

770 NW Westover Square  
Portland, OR 97210  
223-5396

**Robin McArthur-Phillip**

Governor's Office  
Room 167 State Capital  
Salem, OR 97310  
378-3589 x 836

**Mayor Gussie McRoberts**

City of Gresham  
1333 NW Eastman Way  
Gresham, OR 97030  
669-2584

**Pat Prendergast**

Prendergast & Associates  
333 SW Fifth, Suite 200  
Portland, OR 97204  
223-6605

**Ethan Seltzer**

Inst. of PDX Metro Studies  
PSU, 632 SW Hall, Rm. 224  
Portland, OR 97201  
725-5169

**Bob Stacey**

Ball, Janik, & Novack  
101 SW Main, Ste 1100  
Portland, OR 97204  
228-2525

**Nohad Toulan**

PSU  
P O Box 751  
Portland, OR 97202  
725-5143

**Doug VanDyk**

1600 S. W. Cedar Hills Blvd.  
Portland, OR 97225  
598-7070  
FAX: 641-2991

**James Zehren**

Stoel, Rives, Boley  
900 SW Fifth, St. 2300  
Portland, OR 97204  
294-9616  
FAX: 220-2480

**Mayor Vera Katz**

303 City Hall  
1220 SW Fifth  
Portland, OR 97204  
823-4120

**Debbie McCabe**

3850 Risley  
Milwaukie, OR 97267  
659-9983  
FAX: 653-2690

*Sylvia C. McFarland*  
5325 S.W. 63rd  
Portland, OR 97221  
503-245-2170

January 4, 1997

Jon Kvistad  
Presiding Officer  
Metro  
600 N.E. Grand  
Portland, OR 97232-2736

Dear Jon:

There is ample evidence that increased population is expensive for the Portland Metropolitan area. This evidence includes the February 1996 and January 1997 floods which have resulted from a combination of clear cutting and increased development in areas that in the past have provided valuable drainage. Rain and snow melt are now descending more quickly to our streams, rivers, and home sites, because there are inadequate numbers of trees to slow it down, and there is increased hard surface over which water drains more quickly.

Additional evidence is the increasing capital costs for public infrastructure, such as roads, sewers, schools, and parks that are required with an expanding population base.

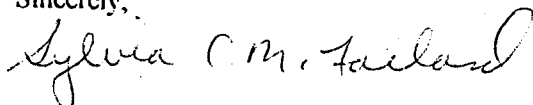
In spite of these costs, and the unwillingness of a majority of the voters to pay adequate taxes to cover these costs, many municipalities are encouraging new businesses by giving them property tax relief. Due to relatively low unemployment rates, these new businesses are recruiting new employees from outside the metropolitan area, which is resulting in the increased population.

At the same time that we are trying to attract new business to the area, we are trying to figure out how to pay for all of the new people who are moving to the area, and arguing whether density or sprawl is better.

Meanwhile, there are cities in the mid-west and east that have high unemployment and are losing population. This phenomena is expensive for them also. Fewer tax payers are having to support the public infrastructure that is already in place and not easily reduced. Migrating home owners are not getting decent prices for their homes, because there is inadequate demand. Vacancies are high in commercial properties, resulting in financial burdens for the property owners.

We should not be encouraging new businesses to come to Portland. We should be encouraging them to go to cities that need additional employment opportunities, and are losing population. As a country, our resources are too valuable to allow some cities to lose population, when other cities are having trouble handling increasing population. We should make it expensive (not cheap) for new businesses to come to Portland, and we should make it expensive for new housing to be built, because it is expensive for our municipalities to handle the increased population.

Sincerely,



Sylvia C. McFarland

January 2, 1997

To the Council of Metro  
Portland, Oregon

Honorable Council Members:

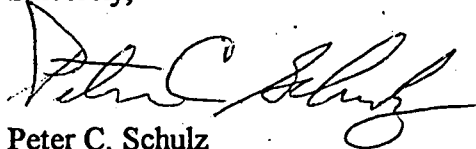
My name is Peter C. Schulz, and am owner of the property at 6565 S.W. 211th Ave., Beaverton, Oregon 97007. In December 1996, Metro Council decided to include this property as part of the Urban Reserve, Site No. 51, in conjunction with the Metro's 2040 regional growth plan. Subsequently, I had the opportunity to obtain an enlarged map from your staff and learned that there is a dividing line running through the site as shown in the attached map. At this point, my concern is that my property might be split by the Urban Growth Boundary line when the final decision is made.

I think your staff placed this dividing line because there is a creek just to the north of this site. However, I believe there is no compelling reason to exclude north part of the property because my house is already as near the creek as is prudent and feasible, and no other house can be built in that area without being in the flood plain. (As a matter of fact, there is a 100' wide brown river roaring through outside the fence as I write this letter) In addition, since my house is currently on a septic system, I also believe it would make better environmental sense if we can be connected to the sewer system instead. This area is already served by the Tualatin Valley Water District. For these reasons, I strongly recommend that this property be included as a whole piece when Metro council finalizes its decision on Growth Boundary.

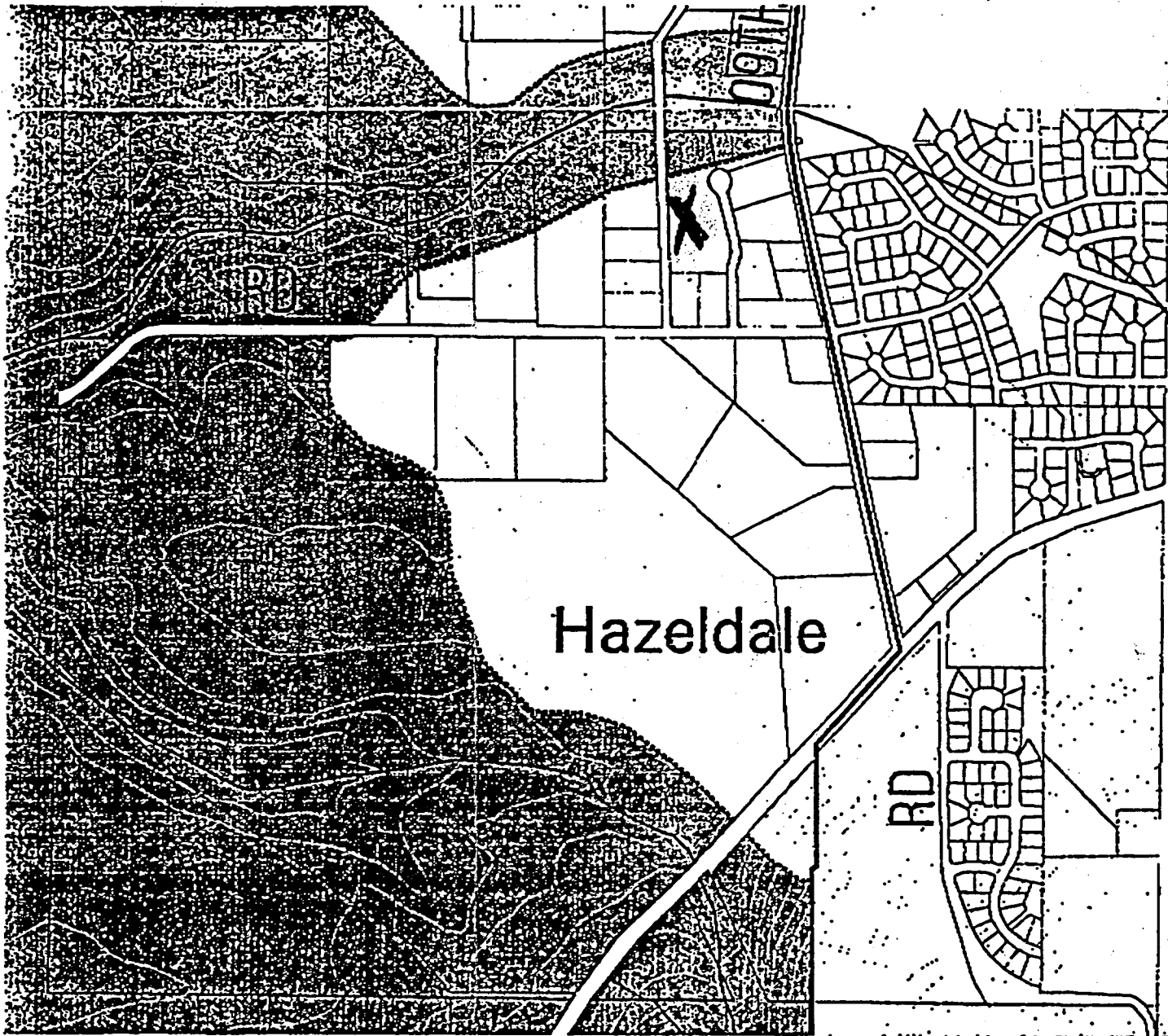
I understand the growth management is a very difficult and complex, but yet extremely important issue. I am certain that Metro Council, as a responsive and responsible governing body, will make a sound decision on this issue that will make sense for everybody concerned.

Thank you very much in advance for your consideration, and please let me know if I can provide you with any more information.

Sincerely,



Peter C. Schulz  
6565 S.W. 211th Ave.  
Beaverton, OR 97007  
(503) 649-3638  
Enclosure









R L I S

Regional Land  
Administration System

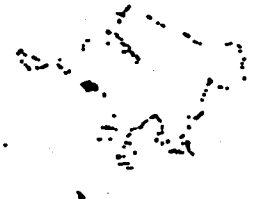
### Urban Reserve Study Areas

Adopted By  
Metro Council 2-8-96

-  This Map's URSA
-  UGB
-  Other URSA's
-  Outside UGB and URSA's
-  Specific Study Area
-  Urban Growth Boundary

## MAP #51

Acres	EFU Acres
136.58	44.548



600 NE Grand Ave  
Portland, OR 97232-3726  
(503) 779-1242



Map by *Hyman*, plot date, February 28, 1996



Lewis L. McFarland  
5325 Southwest Sixtythird Avenue  
Portland, Oregon 97221  
(503) 245-2170

Sunday, January 05, 1997

John Kvistad  
METRO  
600 NE Grand Avenue  
Portland, OR 97232-2736

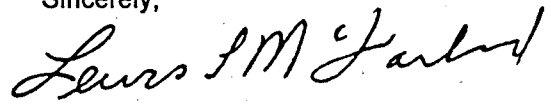
Dear Mr. Kvistad:

To quote Donella H. Meadows the noted systems analyst and author "The only sure result of growth is growth." (The Global Citizen , Beyond The Limits to Growth) Hopefully you might find time to look at some of her work which might give you a longer range prospective than you are currently demonstrating in your activities at Metro.

The proposed large expansion of the Urban Growth Boundary is poorly conceived and makes me question the judgment and motives of the Metro Council. The expansion onto farm land shows a complete lack of vision and concern for future food production.

In particular your refusal to allow local governments to review the expansion plan is heavy handed and brings into question the whole Metro structure.

Sincerely,



Lewis L. McFarland

WEDNESDAY, JANUARY 1, 1997

To leave a message, a concern or a story idea with one of The Oregonian's government reporters, call Inside Line at 225-5555 and enter one of the following category codes:

State government 4660,  
Local government/Portland 4662,  
Local government/Suburbs 4663

---



### Local officials get their say on expanded urban boundary

A panel of local government officials will have a chance to argue against the Metro Council's selection of 18,000 acres for possible expansion of the Portland area's urban growth boundary.



The Metro Policy Advisory Committee, consisting of officials from the three-county area, will consider the council's urban reserves Jan. 8 and Jan. 22, and it will make a recommendation to the council.

Clackamas County Commissioner Judie Hammerstad, a committee member, is among local officials who have strongly criticized Metro's procedures for choosing the reserves, which include 3,500 acres of farmland. She wants the choices referred to individual governments for comment.

Hammerstad was denied a chance to testify at the council's previous meeting by Jon Kvistad, presiding officer.

"Since Clackamas County will be receiving the great majority of land that is planned for future urban development, we would like to be considered and included in the decisions as they are being made," Hammerstad said in a Dec. 27 letter to Kvistad.

Kvistad said he won't refer the choices to local governments but said the council will listen to the committee's recommendations before making its decision in February.

The committee's meetings are open to the public. The Jan. 8 meeting will be at 5 p.m. at the Metro Building, 600 N.E. Grand Ave.

— R. Gregory Nokes

112196-346

905 SW Cedar Hills Blvd.  
Apartment 1225  
Portland, OR 97225-5761

January 16, 1997

Presiding Officer Jon Kvistad  
Metro  
600 NE Grand Avenue  
Portland, OR 97232-2736

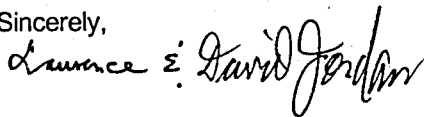
Dear Mr. Kvistad:

We are alarmed that approximately 18,000 acres are being considered for future expansion of Portland's boundaries. What is especially upsetting is that agricultural land is being identified for such expansion. This is unacceptable and we strongly urge you to reconsider your position.

What is needed is an enlightened approach to land use which will minimize sprawl, costly infrastructure, pollution and traffic congestion. Much can be accomplished by recycling, or land rehabilitation, within the current urban growth boundary. Therefore, we believe you should substantially revise downward the number of acres for these urban reserves and oppose any immediate expansion of the UGB.

As you may be aware, Washington County has a spotty reputation when it comes to its land use planning. Revision of your current position will help to maintain our cherished quality of life.

Sincerely,



Laurence & David Jordan

January 15, 1997

Councilor Jon Kvistad  
METRO  
600 N.E. Grand Avenue  
Portland, Oregon 97232

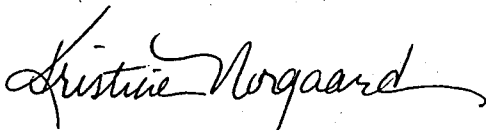
Councilor:

I recently became aware of your vote to reserve large parcels of excellent Washington County farm land as a future breeding ground for urbanization.

As a native Oregonian and registered voter, I strongly urge you to reconsider the amount of land you have tentatively reserved. Though future expansion may be inevitable, our precious farm land should not be considered as available land for urban reserves. Immediate expansion of the Urban Growth Boundary is not the answer. Clearly before expansion should even be considered, we must address important growth related issues such as; roads/traffic, drinking water (the Willamette River is not the answer!), and increase in public services (Police and Fire).

I oppose any immediate expansion to this boundary. Oregon does not need to accommodate everyone from out of state by making room for them. We must work with what we currently have, make that livable in all aspects before we grow.

Sincerely,



Kristine Norgaard

Dear Mr. Kvistad,

16 Jan 1997

It was a real treat to have you with us at our Sexton Mt. Neighborhood Association meeting last night. You certainly opened our eyes. Your delivery was supper--straight and clear, no fat. You are a rare creator among politicians. I am impressed with your 2040 Plan.

My concern is the goal of 2040--to protect the quality of life we love and enjoy in Oregon. I read 2040 literature that use the terms "quality of life," "policy compatibility," "practical nature," "liveability," and "sensitivity." These terms must be applied to the problem of having homeowners taxed out of their homes. That is immoral! What justification is there for that! 2040 gives us nothing if we lose our homes. It violates "compatible," "practical," "liveability," and "sensitivity." Really, of all the things 2040 should protect FIRST is the home.

I wish I was closer to the functions of government, land use, economics, etc. to be able to offer a solution or plan, but I suppose that why we voted for you and others. Perhaps there could be some kind of a property tax adjustment made for those below a certain annual income. It's a huge challenge, but I rather give up other qualities of life that 2040 is trying to protect before losing my home after investing my whole life into owning it. A whole lot of quality in one's life is lost.

I encourage you to look into this plight and to offer any suggestions to me about what I can do to help solve this problem. I mentioned that you were aware of this problem. I know some who have suffered this way and it was devastating to them. No one deserves that kind of treatment. Thanks for listening to me.

Sincerely,



Richard Krikava  
17140 SW Hart Way  
Aloha, OR 97007

PS I am the one who was concerned about taking a bus to shop with children and trying to manage five bags of groceries.

112196-349



# CLACKAMAS COUNTY

## Board of Commissioners

ED LINDQUIST  
CHAIRJUDIE HAMMERSTAD  
COMMISSIONERBILL KENNEMER  
COMMISSIONER

February 4, 1997

The Honorable Susan McLain  
Metro Councilor  
2510 Mills Lane  
Forest Grove OR 97116

RE: AMENDMENTS TO THE METRO CODE 3.01

Dear Susan:

This letter follows up on my January 30th letter to you regarding the above referenced issue. As expressed in that letter, I am concerned about some of the proposed code amendments regarding Urban Reserve decision-making. I am further concerned that two specific provisions now proposed by MTAC - the concurrent annexation requirement for inclusion in the UGB and the exception to the First Priority rule for "immediate special land needs" - could undermine our commitment to protecting resource lands.

### Concurrent Annexation

The current amendments require concurrent annexation to bring land into the UGB. The requirements leaves Urban Reserve Areas 11, 14, and 15 orphaned; too far from any city to be annexed and possibly unable to be incorporated as a new city. I understand and agree with the desire to limit urban unincorporated areas. However, I am afraid that our commitment to protecting resource lands (by allowing urbanization of First Priority lands first) will be undermined by the concurrent annexation requirement.

MTAC's January 30th draft recommends a waiver for such orphaned areas. As an alternative, it has been my understanding throughout this code amendment process that inclusion in the UGB required annexation to a city or special districts, not a city and special districts. Alternative clarifying language to Code 3.01.012 could be adopted, as follows:

"(1) Planning that includes either annexation to a city and or, in areas not adjacent to an incorporated city, with the approval of the county and the possible affected city, to necessary service districts. In this way, counties cannot be forced to provide the general governance of urban areas, but may choose to do so for a limited period of time.

Page 2. Letter from J. Hammerstad re Metro Code 3.01 Amendments, 2/4/97.

This flexibility answers the concern about county general governance of urban areas, while enabling us to protect vital resource lands.

### Immediate Special Land Need

I have two concerns regarding the "immediate special land need" and they are in conflict with each other.

One is that this definition may allow other reserve areas to be brought into the UGB ahead of those designated as First Priority. I am concerned that this could create a large loophole that could be used to justify the immediate inclusion of large amounts of resource land within the UGB.

My other concern is that there may be adjacent lands to proposed First Priority areas that have not been considered and that would, indeed, fulfill the definition of an immediate special land need by completing the necessary acreage to have a full service community.

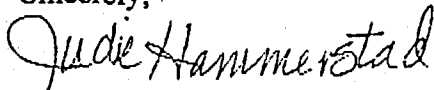
As you know, the Urban Reserve Areas are not drawn to reflect logical planning boundaries. Because of this, the master planning process for certain First Priority Urban Reserves could be frustrated. The Urban Reserve Planning process needs to be able to master plan areas directly adjacent to First Priority Urban Reserves to the extent necessary to complete an Urban Reserve Plan. I suggest that the paragraph 2 of the proposed Code 3.01.012(d) be amended as follows:

First priority urban reserves shall be included in the Metro Urban Growth Boundary prior to other urban reserves unless an immediate special land need is identified which cannot be accommodated on first priority urban reserves. In including first priority urban reserves in the Metro Urban Growth Boundary pursuant to this section, the Council may also include contiguous Urban Reserve lands to the extent reasonably necessary to complete an Urban Reserve Plan.

As you know, I have recommended that the identified areas come back to local jurisdictions for their review and comment. I would still recommend to you that that occur, in case there are areas adjacent to the identified First Priority lands that would complete them.

Thank you for your consideration of these comments.

Sincerely,



Judie Hammerstad, Commissioner  
Clackamas County



# CLACKAMAS COUNTY

## Board of Commissioners

ED LINDQUIST  
CHAIR

JUDIE HAMMERSTAD  
COMMISSIONER

BILL KENNEMER  
COMMISSIONER

January 30, 1997

The Honorable Susan McLain  
Chair, Metro Land Use Committee  
2510 Mills Lane  
Forest Grove OR 97116

RE: AMENDMENTS TO THE METRO CODE 3.01

Dear Susan:

Enclosed are a set of observations regarding the proposed changes to the Metro code. Some of these are minor. However, there is a major concern regarding the development of the concept plan and its relationship to our comprehensive plan. There needs to be language regarding urban reserve agreements with the County.

I would also like you to consider the problem of annexation to the city when the property is noncontiguous. This is the main reason for putting in the "and/or" language because we are going to run into a problem with Areas 11, 14 and 15 which may be incapable of being annexed to Happy Valley at this time and where there is no other incorporation scenario.

Thank you for your consideration of these comments.

Sincerely yours,

*Judie Hammerstad*  
Judie Hammerstad, Commissioner  
Clackamas County

cc: John Fregonese, Metro

JH/dp



## NOTES REGARDING CHANGES TO THE METRO CODE ON URBAN GROWTH BOUNDARY AND URBAN RESERVE PROCEDURES

**Sect. 3.01.005 (c)(5):** Ensure a smooth transition to urban development by planning for general governance, public facilities, land uses, and [identification of financing mechanisms to meet the capital needs of urban development.]

**On Pg. 2, Sect. 3.01.012 Urban Reserve Areas, (a) Purpose:**

I assume under "purpose", the first priority land for inclusion in the Metro urban growth boundary are the 4,100 acres that we have discussed.

**Under, (c) Initial Urban Reserves:**

Because we don't have the map designated as **Exhibit B** of Ordinance No. 96-655C, it is difficult to respond to this section. I am assuming that the initial urban reserves are the 18,500 acres or the 15,000 acres depending upon what Metro actually adopts.

**On Pg. 3, under (e) Concept Plan Required**

**(1) "Provision":** Insert the meaning of provision as an adopted agreement. This needs to be more clearly defined.

Also, where the phrase "city and any necessary service districts", please change that to "city and or".

Also, the word "functional plan" is not capitalized. What functional plan does this mean? Is this any currently adopted functional plan? Any functional plan to be adopted in the future?

**COMMENT:** About the concept plan: Who develops this concept plan and who adopts it? It seems to us that the appropriate planning under (C) (2-7), should be done by the affected local government. Because these areas are currently outside of cities (C) is probably appropriate, but the identification of the dwelling units, the identification of commercial and industrial development and street connectivity and so on, really needs to be a locally developed concept plan. (C)(8) describes a local comprehensive plan map. At the very least, there needs to be agreement by the local government (the county in this instance).

**Under C (6), "including estimates of cost and financing for those costs":**

Are these simply estimates? Or is this going to include the source of financing?

**On Pg. 4, Sect. 3.01.020 (b),** this is the first of a number of sections which have the words "the district". The word "district" is not capitalized. Does this mean Metro? If it means Metro, it needs to be stated.

Does "legislative amendments" refer to amendments to the urban growth boundary that would be brought to Metro outside of this process?

**CONCERN:** The urban reserve maps and the designations by the Council need to come back to the affected local governments for the following reasons:

- 1) There are properties in between existing cities and designated urban reserves which will not come within the urban growth boundary because they are not designated as urban reserves. The annexation question then is, how does the city annex an urban reserve when it is noncontiguous and is separated by an area outside the UGB and that area is less than 3 miles away from the city and is, therefore, probably ineligible to become its own city.
- 2) Utility provision between urban reserves needs to be carefully considered. Both the provision of utility service outside the urban growth boundary and how large that utility resource needs to be for future development should that area ever come within an urban reserve. If the areas that are coming within the urban growth boundary must be first in urban reserves, these urban reserves need to have more careful scrutiny by the affected local governments in order to be able to identify some of the existing problems as well as the solutions to those problems.