

# Agenda



**Metro**

600 NE Grand Ave.  
Portland, OR 97232-2736

Meeting: Metro Technical Advisory Committee (MTAC)  
Date: Wednesday, February 21, 2024  
Time: 9:00 a.m. to 12:00 p.m.  
Place: Virtual meeting held via Zoom  
*video recording is available online within a week of meeting*  
[Connect with Zoom](#)  
Passcode: 982966  
Phone: [888-475-4499](tel:888-475-4499) (Toll Free)

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<b>9:00 a.m.</b>	<b>Call meeting to order, Declaration of Quorum and Introductions</b>	Chair Kehe
<b>9:10 a.m.</b>	<b>Comments from the Chair and Committee Members</b> <ul style="list-style-type: none"><li>• Updates from committee members around the Region (all)</li><li>• Summary of meeting survey (Chair Kehe)</li></ul>	
<b>9:15 a.m.</b>	<b>Public communications on agenda items</b>	
<b>9:17 a.m.</b>	<b>Consideration of MTAC minutes, January 17, 2024 (action item)</b> Send edits/corrections to Marie Miller	Chair Kehe
<b>9:20 a.m.</b>	<b>Middle Housing Panel Discussion</b> Purpose: Share community experiences implementing HB2001; learn from other cities in the region about their experiences.	<i>Joseph Edge, Moderator</i> Vera Koliass <i>City of Milwaukie</i> Dan Rutzick <i>City of Hillsboro</i> Miranda Bateschell <i>City of Wilsonville</i> Tom Armstrong Morgan Tracy <i>City of Portland</i> Jim Wheeler <i>City of Gresham</i> Anna Slatinsky <i>City of Beaverton</i>
<b>11:00 a.m.</b>	<i>10-minute break</i>	
<b>11:10 a.m.</b>	<b>2024 Urban Growth Management decision: draft regional population, household, and employment forecast</b> Purpose: Provide MTAC with a summary of the recently completed and peer-reviewed draft regional forecast. This forecast will be documented in the draft 2024 Urban Growth Report, which will be released in late June to inform the Metro Council's growth management decision in December.	Ted Reid, Metro Dennis Yee, Metro
<b>12:00 p.m.</b>	<b>Adjournment</b>	Chair Kehe

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Metro waxay ixtiraamtaa xuquuqda madaniga. Si aad u heshid macluumaad ku saabsan barnaamijka xuquuqda madaniga ee Metro, ama aad u heshid warqadda ka cabashada takoorista, booqo [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Haddii aad u baahan tahay turjubaan si aad uga qaybqaadatid kullanka dadweyne, wac 503-797-1700 (8 gallinka hore illaa 5 gallinka dambe maalmaha shaqada) shan maalmo shaqo ka hor kullanka si loo tixgaliyo codsashadaada.

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## សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ១ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights)។ បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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## Metro txoj kev ntxaug daim ntauw ceeb toom

Metro tributes cai. Rau cov lus qhia txog Metro txoj cai kev pab, los yog kom sau ib daim ntauw tsis txaus siab, mus saib [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Yog hais tias koj xav tau lus kev pab, hu rau 503-797-1700 (8 teev sawv ntxov txog 5 teev tsaus ntuj weekdays) 5 hnub ua hauj lwm ua ntej ntawm lub rooj sib tham.

**2024 Metro Technical Advisory Committee (MTAC) Work Program**

**As of 2/9/2024**

**NOTE: Items in *italics* are tentative; **bold** denotes required items**

**All meetings are scheduled from 9am – noon**

	<p><b><u>MTAC meeting, February 21, 2024</u></b></p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> <li>• Committee member updates around the region (Chair Kehe and all)</li> <li>• Summary of meeting survey (Chair Kehe)</li> </ul> <p><u>Agenda Items</u></p> <ul style="list-style-type: none"> <li>• Middle Housing Panel Discussion (Joseph Edge, Clackamas County Rep, Moderator, 100 min)</li> <li>• 2024 Urban Growth Management decision: draft regional population, household, and employment forecast (Ted Reid/Dennis Yee, Metro, 50 min)</li> </ul>
<p><b><u>MTAC meeting, March 20, 2024</u></b></p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> <li>• Committee member updates around the region (Chair Kehe and all)</li> <li>• Summary of meeting survey (Chair Kehe)</li> </ul> <p><u>Agenda Items</u></p> <ul style="list-style-type: none"> <li>• Overview of Emergency Transportation Routes Phase 2 project (John Mermin, 20 min)</li> <li>• Urban Growth Boundary discussion topic: Preliminary UGB capacity estimates (Ted Reid/Clint Chiavarini/Dennis Yee, Metro, 45 min)</li> </ul>	<p><b><u>MTAC meeting, April 17, 2024</u></b></p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> <li>• Committee member updates around the region (Chair Kehe and all)</li> </ul> <p><u>Agenda Items</u></p> <ul style="list-style-type: none"> <li>• Urban Growth Boundary discussion topic: Historic development trends (Ted Reid/Al Mowbry / Joe Gordon, Metro, 45 min)</li> <li>• Industrial Site Readiness Toolkit: Increasing the Availability of Small Industrial Spaces Across the Region (David Tetrick, Metro, 45 min)</li> </ul>
<p><b><u>MTAC meeting, May 15, 2024</u></b></p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> <li>• Committee member updates around the region (Chair Kehe and all)</li> </ul> <p><u>Agenda Items</u></p> <ul style="list-style-type: none"> <li>• Urban Growth Boundary discussion topic: City UGB expansion proposals (city presentations) (Ted Reid, Metro, 45 min)</li> </ul>	<p><b><u>MTAC meeting, June 26, 2024</u></b></p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> <li>• Committee member updates around the region (Chair Kehe and all)</li> </ul> <p><u>Agenda Items</u></p> <ul style="list-style-type: none"> <li>• Pending employment land expansion proposal, analysis of possible benefits of UGB expansion (Ted Reid, Metro, 45 min)</li> <li>• Urban Growth Boundary discussion topic: Draft functional plan language (Update to Title 6) and regional centers (Glen Hamburg, Metro, 20 min)</li> <li>• EPA Climate Pollution Reduction Grant (Eliot Rose, Metro, 30 min)</li> </ul>

<p><b><u>MTAC meeting, July 17, 2024</u></b></p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> <li>• Committee member updates around the region (Chair Kehe and all)</li> </ul> <p><u>Agenda Items</u></p> <ul style="list-style-type: none"> <li>• Draft UGR (Ted Reid, Metro; 90 min)</li> <li>• Connecting First and Last Mile Study Introduction (Ally Holmqvist, Metro; 45 min)</li> </ul>	<p><b><u>MTAC meeting, August 21, 2024</u></b></p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> <li>• Committee member updates around the region (Chair Kehe and all)</li> </ul> <p><u>Agenda Items</u></p> <ul style="list-style-type: none"> <li>• Recommendations to MPAC (if requested) (Ted Reid, Metro) FULL MEETING</li> </ul>
<p><b><u>MTAC meeting, September 18, 2024</u></b></p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> <li>• Committee member updates around the region (Chair Kehe and all)</li> </ul> <p><u>Agenda Items</u></p>	<p><b><u>MTAC meeting, October 16, 2024</u></b></p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> <li>• Committee member updates around the region (Chair Kehe and all)</li> </ul> <p><u>Agenda Items</u></p> <ul style="list-style-type: none"> <li>• Regional Housing Coordination Strategy: Work Plan (Ted Reid, Metro; 40 min)</li> </ul>
<p><b><u>MTAC meeting, November 20, 2024</u></b></p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> <li>• Committee member updates around the region (Chair Kehe and all)</li> </ul> <p><u>Agenda Items</u></p>	<p><b><u>MTAC meeting, December 18, 2024</u></b></p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> <li>• Committee member updates around the region (Chair Kehe and all)</li> </ul> <p><u>Agenda Items</u></p> <ul style="list-style-type: none"> <li>• Follow up on process (Ted Reid, Metro)</li> <li>• Connecting First and Last Mile Study Policy Framework (Ally Holmqvist, Metro; 45 min)</li> </ul>

**Parking Lot/Bike Rack: Future Topics (These may be scheduled at either MTAC meetings or combined MTAC/TPAC workshops)**

- Status report on equity goals for land use and transportation planning
- Regional city reports on community engagement work/grants
- Regional development changes reporting on employment/economic and housing as it relates to growth management
- Update report on Travel Behavior Survey
- Updates on grant funded projects such as Metro’s 2040 grants and DLCD/ODOT’s TGM grants. Recipients of grants.
- Transit-Oriented Development (TOD) annual report/project profiles report
- Employment & industrial lands
- 2040 grants highlights update

For MTAC agenda and schedule information, e-mail [marie.miller@oregonmetro.gov](mailto:marie.miller@oregonmetro.gov)

In case of inclement weather or cancellations, call 503-797-1700 for building closure announcements.

# Memo

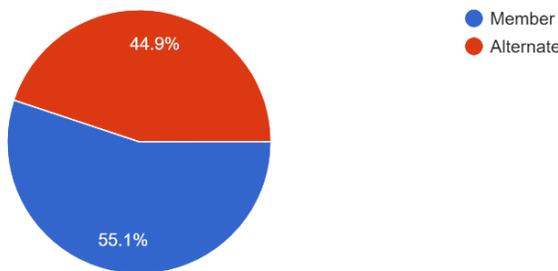
Date: Thursday, February 8, 2024  
 To: MTAC Members  
 From: Eryn Deeming Kehe, MTAC Chair  
 Subject: Results from online survey about future in-person meetings

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An online survey was made available to all MTAC members and alternates in late December 2023 and was open through January 2024. The purpose of the survey was to learn about preferences around in-person MTAC meetings.

Forty-nine survey responses were received which is a total participation rate of 65 percent. Twenty-seven of MTAC’s thirty-five members participated in the survey. That represents an 82 percent participation rate among members. Over fifty percent of alternates participated in the survey.

My role on MTAC is as a(n)..  
 49 responses



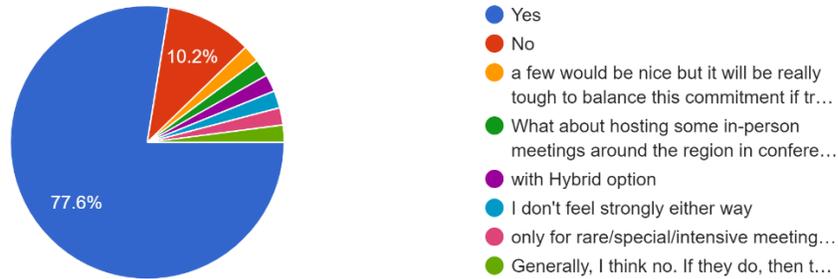
The majority of those who participated expressed support for hybrid meetings at the Metro Regional Center. About ten people expressed either lack of support or concern. Seventy four percent of members thought Metro should host some meetings at the Metro Regional Center. Five members said no and another two members expressed some concerns even though they responded yes to this question.

Overall, thirty-nine (80 percent), said they would likely attend an in-person meeting (three or above on a scale of five). Ten participants (20 percent) said they were unlikely to attend (two or lower on a scale of five). Of members, six (22 percent) said they were unlikely to attend. Eighty percent of MTAC Community representative members and alternates said that Metro should host some in-person meetings at the Metro regional center.

Additional comments included interest in meetings hosted by MTAC members in other city or county offices around the region. Some pointed to the time requirement for travel to and from meetings which could make participation more difficult. Some said in-person meeting should be infrequent and only for special, intensive topics. Others pointed to the needs for COVID hospitalization to be below 100 patients before they would attend an in-person meeting.

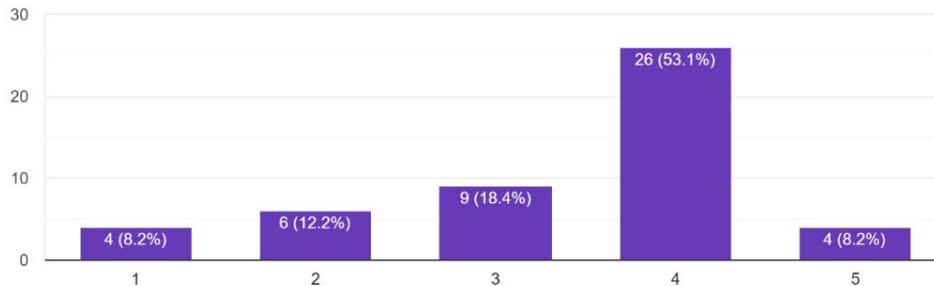
In 2024, should Metro host some in-person meetings at the Metro Regional Center (600 NE Grand Ave. in Portland)?

49 responses



How likely are you to attend an in-person meeting?

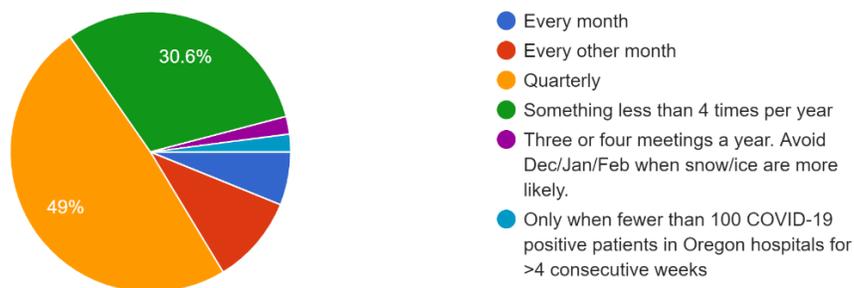
49 responses



About 68 percent of participants suggested four or more in-person MTAC meetings in 2024. Sixteen people asked for something less which roughly corresponds to folks who also expressed reluctance to attend an in-person meeting. There was not an option to select “none at all” to this question which was a survey flaw.

How frequent should in-person meetings occur?

49 responses



cc: Catherine Ciarlo, Director, Planning Research and Development, Metro  
 Malu Wilkinson, Deputy Director, Planning Research and Development, Metro  
 Tom Kloster, Manager, TPAC Chair, Metro  
 Jessica Martin, Administrative Supervisor, Metro  
 Marie Miller, Program Assistant, Metro



# Meeting minutes

Meeting: **Metro Technical Advisory Committee (MTAC) meeting**

Date/time: Wednesday, January 17, 2024 | 9:00 a.m. to 12:00 p.m.

Place: Virtual video meeting via Zoom

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## **Members Attending**

Eryn Kehe, Chair  
Carol Chesarek  
Victor Saldanha  
Tom Armstrong  
Anna Slatinsky  
Laura Terway  
Katherine Kelly  
Jamie Stasny  
Jessica Pelz  
Gary Albrecht  
Neelam Dorman  
Laura Kelly  
Manny Contreras  
Gery Keck  
Nina Carlson  
Tara O'Brien  
Bret Marchant  
Brett Morgan  
Nora Apter  
Rachel Loftin  
Preston Korst  
Brendon Haggerty

## **Affiliate**

Metro  
Multnomah County Community Member  
Washington County Community Member  
City of Portland  
Second Largest City in Washington County: Beaverton  
Clackamas County: Other Cities, City of Happy Valley  
City of Vancouver  
Clackamas County  
Washington County  
Clark County  
Oregon Department of Transportation  
Oregon Dept. of Land Conservation & Development  
Clackamas Water Environmental Services  
Tualatin Hills Park & Recreation District  
NW Natural  
TriMet  
Greater Portland, Inc.  
1000 Friends of Oregon  
Oregon Environmental Council  
Community Partners for Affordable Housing  
Home Builders Association of Metropolitan Portland  
Public Health & Urban Forum, Multnomah County

## **Alternate Members Attending**

Kamran Mesbah  
Vee Paykar  
Faun Hosey  
Dan Rutzick  
Martha Fritzie  
Kevin Cook  
Theresa Cherniak  
Chris Faulkner  
Scott Bruun  
Aaron Golub  
Jacqui Treiger  
Craig Sheahan  
Ryan Ames

## **Affiliate**

Clackamas County Community Member  
Multnomah County Community Member  
Washington County Community Member  
Largest City in Washington County: City of Hillsboro  
Clackamas County  
Multnomah County  
Washington County  
Clean Water Services  
Oregon Business Industry  
Portland State University  
Oregon Environmental Council  
David Evans & Associates, Inc.  
Public Health & Urban Forum, Washington County

### **Guests Attending**

Brian Moore  
Jessica Numanoglu  
Dakota Meyer  
Greg Schrock  
Bill Berg  
Kevin Young  
Marc Farr  
Michael Veale

### **Affiliate**

Prosper Portland  
City of Lake Oswego  
City of Troutdale  
PSU  
City of Beaverton  
Dept. of Land Conversation & Development  
Metropolitan Land Group

### **Metro Staff Attending**

Andrea Pastor, Bryan Blanc, Carson Fehner, Clint Chiavarini, David Tetrick, Dennis Yee, Eliot Rose, Eryn Kehe, Glen Hamburg, Hau Hagedorn, Jeffrey Hood, Joe Gordon, John Mermin, Jon Williams, Laura Combs, Marie Miller, Patrick McLaughlin, Ted Reid

### **Call to Order, Quorum Declaration and Introductions**

Chair Eryn Kehe called the meeting to order at 9:00 a.m. A quorum was declared. Introductions were made. Zoom logistics and meeting features were reviewed for online raised hands, renaming yourself, finding attendees and participants, and chat area for messaging and sharing links. An overview of the agenda was given.

### **Comments from the Chair and Committee Members**

- **Survey results on MTAC meetings at MRC** (Chair Kehe) There were 49 responses received from the survey about in-person meetings. There were slightly more members than alternatives participating but almost 50/50. Further responses can be accepted. It was noted 80% of people want to have some number of in-person meetings over the course of the year. There were definitely some hard nos. Several people emphasized how important it would be for these meetings to be hybrid. That will always be an option offered at MTAC meetings. A few people shared ideas about potentially hosting a meeting rather than held at Metro Regional Center. If anyone has a facility for a large group and the ability to hold hybrid meetings, contact Chair Kehe. All this is work in progress. A reminder that the MTAC Feb. meeting will be online.
- **Updates from committee members around the region** (all)
- Neelam Dorman announced a job opening at ODOT Region 1 for a Senior Transportation Planner. A link was shared in chat: [https://oregon.wd5.myworkdayjobs.com/en-US/SOR\\_External\\_Career\\_Site/job/Portland--ODOT--Region-1-Headquarters/Senior-Transportation-Planner\\_REQ-145635?hiringCompany=47688ccd4cac014f570a979ec2233d33](https://oregon.wd5.myworkdayjobs.com/en-US/SOR_External_Career_Site/job/Portland--ODOT--Region-1-Headquarters/Senior-Transportation-Planner_REQ-145635?hiringCompany=47688ccd4cac014f570a979ec2233d33) . A couple of responsibilities for this position would be working with local agencies on the Transportation System Plan updates, staffing county coordinating committees, and administering the Transportation Growth and Management Grant Projects.
- Jessica Pelz announced that Washington County is hiring for an assistant director at land use and transportation. The link was shared in chat: <https://www.governmentjobs.com/careers/cowashingtonor/jobs/4128514/assistant-director-of-land-use-transportation>

**Public Communications on Agenda Items** – none given.

### **Consideration of MTAC minutes December 20, 2023 meeting**

Chair Kehe asked for a vote to approve MTAC minutes from December 20, 2023 meeting.

**ACTION: Motion passed with no opposed, and 3 abstentions.**

**Urban Growth Management Functional Plan Title 4 Map and Amendments in 2023** (Glen Hamburg, Metro) Background information on the Functional Plan and Title 4 Map and amendments was given. Title 4, *Industrial and Other Employment Areas*, of the Urban Growth Management Functional Plan (UGMFP) seeks to improve the region's economy by protecting a supply of sites for employment with requirements for local jurisdictions to limit the types and scale of certain non-industrial uses in designated Regionally Significant Industrial Areas, Industrial Areas, and Employment Areas.

Title 4 purposes is to provide/protect sites for employment, promote industry clustering, promote capacity and efficiency of transportation system for movement of goods/services, encourage non-industrial uses to locate in 2040 Centers, Corridors, Main Streets, and Station Communities. Methods, criteria and pathways to amending the map were described.

Title 4 sets forth several avenues for amending the map, either through a Metro Council ordinance or through an order of the COO, depending on the circumstances. There were no amendments made to the Title 4 Map by the Metro Council in 2023, the map was amended at the request of the City of Happy Valley in 2023. The city's plan addressed 800 acres better suited for other uses (commercial, residential).

Comments from the committee:

- Laura Terway thanked Glen and Metro for working with Happy Valley on this project. It was designated long ago and really none of that foundational work or the dive into the context and the details of the site had been done. It was nice that we were finally able to adopt a comprehensive plan or a concept plan for this area and work with the community for over five years to come up with something that is suitable. The City of Happy Valley does still believe in a lot of industrial Title 4 lands that we have in the city and are looking forward to supporting their development over time.
- Jamie Stasny appreciated the presentation which was helpful for context and to ground everyone in the functional plan and what the sections are. Mr. Hamburg added we seem to be getting more interest in this particular title. So while this is a lot of information, I feel there is quite a bit of interest in what Title 4 is about and how it relates to cities and counties changing interests, and how to protect industrial lands, how to satisfy other needs that they have, for example, commercial development, residential development. If anyone has other questions about how this all works, contact Mr. Hamburg.

**Economic conditions/trends** (Ted Reid/ Dennis Yee/ Joe Gordon, Metro) Ted Reid provided the introduction to this agenda item. Dennis Yee would be discussing economic and demographic trends that inform our outlook looking forward. Joe Gordon would be discussing work from home trends that have been happening which influence the demand side of the question that we have been looking at. If a lot more people are working from home, then what does that imply about future demand for office space?

Dennis Yee presented information on new forecast mandates and expected deliverables. Population growth by decade was presented by Metropolitan Area (MSA) and Metro Counties. Death statistics and death rates decline was shown particularly evident in retirement-age cohorts.

The decline in birth rates was shown, partly due to delay in child rearing decisions. MSA population trends show that growth rates sharply slow as number of deaths exceed live births. MSA population growth data was given on migration vs natural change, rise in diversity by race and ethnicity, demonstrated by a population pyramid characteristic of a population growing very slowly.

Employment and population relationships were reviewed. Industry sector growth rankings sorted by NAICS code and by historic growth percent were shown. Household size, income and age draft forecast was shown with a decline in average household size in MSA, proportional increase in MSA lower income brackets, and aging of population / head of household in MSA.

In summary, population (MSA & US) is slowing due to underlying demographics & vital statistics. Payroll Jobs (MSA & US) are slowing with labor force participation topping out and lower population growth. There is a relationship between population and employment. We see there's a relationship between population and economic cycles and trends. There's a relationship between population and employment itself. And there's a relationship between population and employment regionally versus nationally versus Oregon and other MSAs. They are all tied together in some fashion. The national forecast is quite slower going forward, so imagining that forecast for the MSA.

Comments from the committee:

- Manuel Contreras noted it was hard to see the lines showing the periods of recession. Is there a point you're making of how the recession relates to either death outpacing births, net migration and employment dips, and employment population ratios? Mr. Lee noted the gray bars are these vertical bars at different year intervals. The width of it and the location of it indicates when and how long migration persisted. People make decisions about their life and their employment and businesses based on the state of economic affairs. It's not a hundred percent. People make migration decisions because of family or other social eco reasons. But largely economically people have children when they feel prosperity. These gray areas represent periods of economic downturns with some of the economic and population phenomena charted here going forward.
- Greg Schrock noted possible mention of a number of different factors that could potentially be playing in sources of variability. Could you boil it down to one or two things that you think are the biggest contingencies that may impact these sort of regional growth forecasts and the potential for where that's likely to happen?

Mr. Yee noted we're talking about the long-term. You notice I didn't talk much about interest rates, inflation, these really transitory economic factors. I can certainly talk about them because it does impact the near-term business cycle. And the near-term employment and economic trends because there is a relationship, but we're talking 25, 30 years down the line. A lot of these tend to flatten out. That is to say, they trend up or down. But if looking at smoothing out that trend they don't impact that much. So what does impact long term population growth and long-term employment? The reason I chose fertility and death rates is the death rates are pretty certain, we see a trend of them improving, but also have an age structure that can apply the death rate to.

We know what the population segment sizes of different generations are and can assert some kind of mortality rate to that. Those changes are obviously going to be factoring in as much as we can for life expectancy. So if life expectancies change dramatically and we become healthier in some dramatic sense that will cause us to rethink that trend. Same with fertility rates.

Then the relationship between population and employment is huge because of the labor supply being capped. Near-term you could probably affect some things through tax policy, through changing infrastructure investments. Because then that could boost employment. We're pretty close to being maxed out there to alter growth rates. But these are all short-term things that I find hard to see manipulating in long-term trends unless something major happens.

- Jamie Stasny was curious about context, how the work you're doing now is going to evolve. I believe you'll be back to talk about forecasting and how this will affect the larger Urban Growth Report process. From what you're telling us it looks like population will now be growing as we look forward. So what does that mean for the UGR process this year?

Mr. Yee agreed, population employment growth are much lower rates as we've seen from the national forecast. I think there's a carryover in my point for the MSA. I think there might be some questions around the CHIPS Act and how that might impact job growth. It does, we've seen that in the State employment forecast. But you'll note that the high tech employment sector doesn't boom. It edges up and then levels, and essentially there's been a movement towards reshoring or onshoring high tech and perhaps some of the other manufacturing sectors, but it's almost a little too late kind of thing. We're probably going to continue to see employment in the manufacturing sector perhaps level or hold its own.

The trend is for more service sector jobs. Machines fabricate things much more efficiently than people do. So we need smart people to run the machines in the manufacturing sector. But with an aging population some sectors make a lot of sense that will continue to grow, like the medical, healthcare, aging services and personal services as the population ages we expect to have more services like that. We've seen some obvious growth in artificial intelligence and computer related things but not necessarily the manufacturing of the hardware, but the software where growth is expected.

- Ted Reid noted Mr. Lee mentioned that we will be conducting a peer review of this forecast in the next month that will include economists and demographers from places like PSU, the State of Oregon Office of Economic Analysis and others that are going to look at these numbers and trends and give us their feedback. Then in terms of how it factors into the growth management decision, it was discussed some of the details around household demographics. That will work into our housing needs analysis that we're going to conduct for the Urban Growth Report. The model that Eco Northwest is developing for us to access housing needs using demographic factors will include what was presented. Likewise for the employment side, in the UGR we'll be doing some estimation of what those forecasts for job imply and land demand or space demand.

Joe Gordon was introduced, who has been doing some analysis on work from home trends in our region compared to other metropolitan areas. Mr. Gordon explained the Census Bureau call a metro area an urbanized area, but it's as close to our shape of the UGB or the metro jurisdiction on the Oregon side as you can get with a census geography. It does include Vancouver however, so a good proxy for the metropolitan regional area. Portland as a city is included in the comparison charts. The years displayed are for 2019, 2021 and 2022. The charts show the effects of pre-pandemic work from home rates, the drastic increase over two years to 2021, and then sort of a comeback a little bit in 2022. The information will be factored into estimations for demand side for

office space or land demand for employment area. The trend for remote work situations are roughly a third of us now and will be evaluated in the analysis.

- Jessica Pelz asked if this is showing any work from home such as hybrid or is it a hundred percent work from home on these responses. The question relates to means of transportation on the survey which is sent to your house, correct? Mr. Gordon noted there could be a fair amount of subjectivity and then the questions are very specific to your life experience in some certain amount of time that you've been living that life experience. So the question is literally last week how did you get to work the majority of the time. This could be answered working entirely remotely or using a hybrid situation. It's kind of all that that captured together, but the fact that you're seeing such a marked increase is showing that a good amount of this effect that we're seeing is relative to the pandemic and the change in work modes.
- Chair Kehe noted it does seem like this is a moving target, how without seeing 2023 results, how do we anticipate whether that decrease that we see in all of the cities between 21 and 22, if that continues or if we see more of a settling out at those percentages? Mr. Gordon noted he thought if we think back to 2022, I think maybe we were still on the tail edge effect of some of the pandemic related type issues. I would expect in 2023 it feels like fully out of it, and I think this trend will increase. But I also feel a lot of companies or agencies or society in general has identified a new form of normal work behavior, too. I'd be surprised if it went back to the way it was. Some agencies and types of work are going to keep being remote, and I would expect this trend would continue to come back in 2023 going forward. I think you'll start to see a leveling off, but who knows what the new normal is.

### **Adjournment**

There being no further business, meeting was adjourned by Chair Kehe at 11:00 a.m.

Respectfully submitted,

Marie Miller, MTAC Recorder

Attachments to the Public Record, MTAC meeting January 17, 2024

Item	DOCUMENT TYPE	DOCUMENT DATE	DOCUMENT DESCRIPTION	DOCUMENT No.
1	Agenda	1/17/2024	1/17/2024 MTAC Meeting Agenda	011724M-01
2	MTAC Work Program	1/5/2024	MTAC Work Program as of 1/5/2024	011724M-02
3	Minutes	12/20/2023	Draft minutes from MTAC 12/20/2023 meeting	011724M-03
4	Memo	1/10/2024	TO: MTAC members and interested parties From: Glen Hamburg, Associate Regional Planner RE: UGMFP Title 4 Map and Amendments in 2023	011724M-04
5	Presentation	1/17/2024	The UGMFP Title 4 Map and Amendments in 2023	011724M-05
6	Presentation	1/17/2024	Regional Forecast	011724M-06
7	Presentation	1/17/2024	Worked from Home by Metro Area and City	011724M-07

# 2024-2044 regional population, household, and employment forecast:

## Expert panel review summary

### Context

On January 30, 2024, Metro staff convened an expert panel of economists and demographers to review the preliminary regional forecast that will be part of the 2024 Urban Growth Report. This review is intended to identify areas of agreement or disagreement among experts in forecasting. The group is advisory to Metro staff. The following summary describes the topics brought forward in the forecast review, staff reasoning, as well as expert panelist views on those topics.

### Main takeaways

#### **The long-term trend of declining birth rates will lead to slower population growth rates**

Metro's forecast for slower population growth is aligned with other forecasters' assessments. Specifically, panelists agreed that declining birth rates will mean that deaths will begin to outnumber births in the next decade. That negative natural change is expected to continue after that point, and without positive net migration, the region would begin to lose population. This expected slowdown is not because of the pandemic, the ensuing 2020 recession, or because of recent out-migration from the region. It is because of demographic shifts.

Panelists believe there is considerable uncertainty around migration, but that Metro's assumption, based on historic averages is reasonable. Panelists advised Metro to be clear about this uncertainty and that high cost of living on the west coast may lead to lower net in-migration.

Panelists indicated that, while intuition supports the notion that the region may see increased migration from climate refugees drawn to the Pacific Northwest's temperate climate, there is currently no observable evidence that this is happening. Panelists did not recommend building in an add-factor for climate induced migration at this time.

#### **Employment growth will slow because of declining population growth rates**

External experts agree that population growth is inextricably tied to employment growth and that slowing population growth would lead to slowing employment growth. Both are expected to grow at 0.4 percent per year over the forecast period. This is less than historic growth rates.

Panelists felt that Metro's preliminary employment forecast looked right in total, but that it was too optimistic about the CHIPS Act and its impacts on computer and electronics manufacturing and metal fabrication. Peer reviewers indicated that the CHIPS Act will primarily prevent manufacturing job losses that would otherwise occur in the next 10 years. Longer term, they expect manufacturing employment to be flat. In response, Metro staff has adjusted the computer and electronics and metal fabrication sectors downward slightly. The result is that manufacturing employment— after an initial increase in the next five to ten years—returns (declines) to pre-pandemic levels by the end of the 20-year forecast period.

*NOTE: graphs included in this document are ones that were discussed by the peer review panel. As such, they may differ from the eventual draft or final regional forecast because staff has made adjustments based on expert feedback.*

## Expert panelists and Metro economics staff

### Panelists

Peter Hulseman, City Economist, City of Portland

Neal Marquez, Forecast Program Manager, Portland State University Population Research Center

Ethan Sharygin, Director, Portland State University Population Research Center

Amy Vandervliet, Economist, Oregon Employment Department

### Metro economics staff

Josh Harwood, Director of Fiscal and Tax Policy

Katelyn Kelley, Economist

Dennis Yee, Economist

## Panel discussion

### **National macroeconomic conditions**

Metro staff presented data on recent national gross domestic product (GDP) as well as GDP projections from S&P Global | IHS Markit. The national outlook shows GDP returning to a slow growth trend after seeing variability during the pandemic. The national outlook does not include another recession, but instead points to a “soft landing” from a period of high inflation.

### **National population**

Metro staff presented national population growth rate forecasts which depict slowing population growth rates. By the end of the forecast period, average annual population growth rates are expected be at 0.4 percent, down from the 0.9 percent rate for the previous 30 years. Panel members suggested comparing this IHS Markit data to 2023 Census data but indicated that those data show a similar trend and forecast.

## Year % Change Total Population

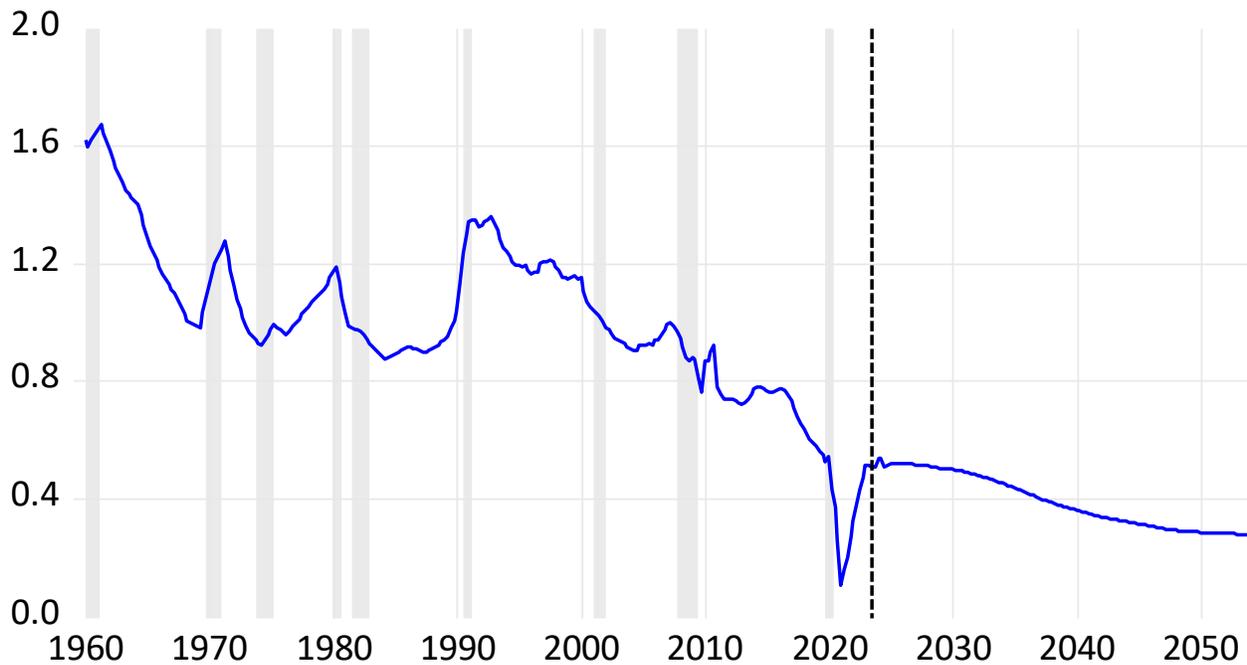


Figure 1: Annual percent change in total U.S. population (source: IHS Markit)

Declining birth rates are a main driver for slowing population growth rates. Though average life expectancy is expected to increase, the continued aging of the Baby Boomer generation will contribute to higher numbers of deaths in the next two decades. At the national level, deaths now outnumber births.

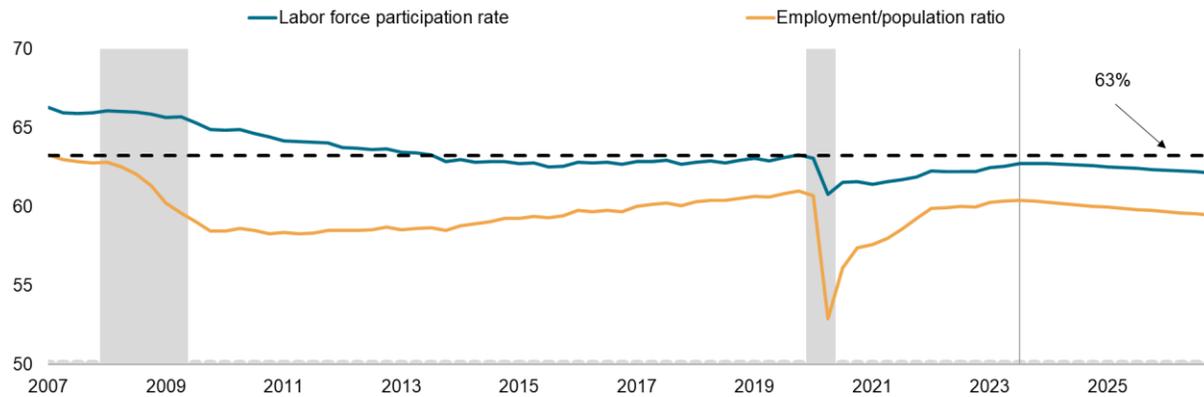
Going forward, national population would decline if it were not for international migration into the U.S. The pandemic is not seen as the cause of slower population growth. Rather, the continuation of the long-term trend of declining birth rates has become clearer since the completion of the 2018 forecast. Panelists did not indicate any disagreement with these overarching trends and their implications for regional population growth.

### **National Employment**

Employment growth depends on population growth and labor force participation among that population. Having presented national data on slowing population growth, staff presented information on labor force participation and employment-to-population ratios.

### Labor force participation

Percent



Data compiled Jan. 19, 2024.  
Sources: Bureau of Labor Statistics, S&P Global Market Intelligence.  
© 2024 S&P Global.

Figure 2: U.S. labor force participation

The national employment forecast shows slowing growth rates in coming decades. IHS Markit’s national employment forecast indicates an average of 0.4 percent growth per year through the year 2055. This matches the national forecast for 0.4 percent population growth.

### US Payroll Employment

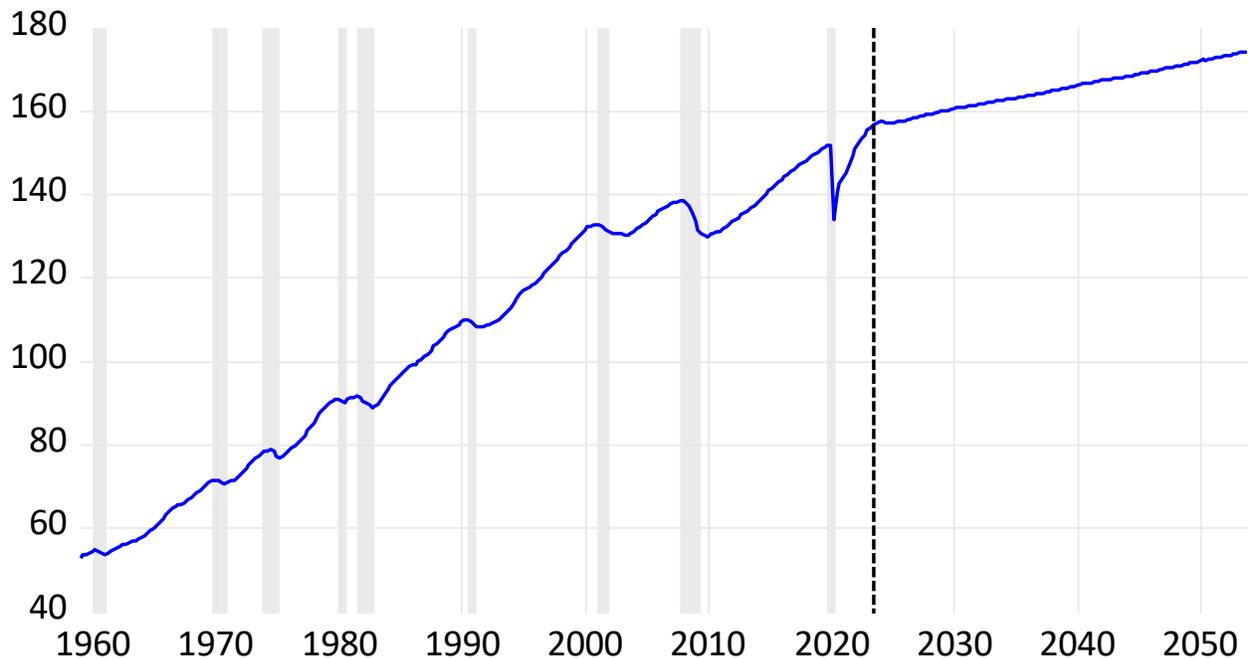


Figure 3: U.S. employment in millions (source: IHS Global Insight)

### Regional population

Switching from the national context to the seven-county Portland/Vancouver Metropolitan Statistical Area (MSA), Metro staff presented the current population pyramid for the region.

### Current age distribution

Figure 4 depicts an aging population with constricted younger age cohorts. This type of population pyramid indicates that a population will have diminishing natural increase (in which deaths exceed live births) and would shrink over coming decades were it not for net increases from migration.

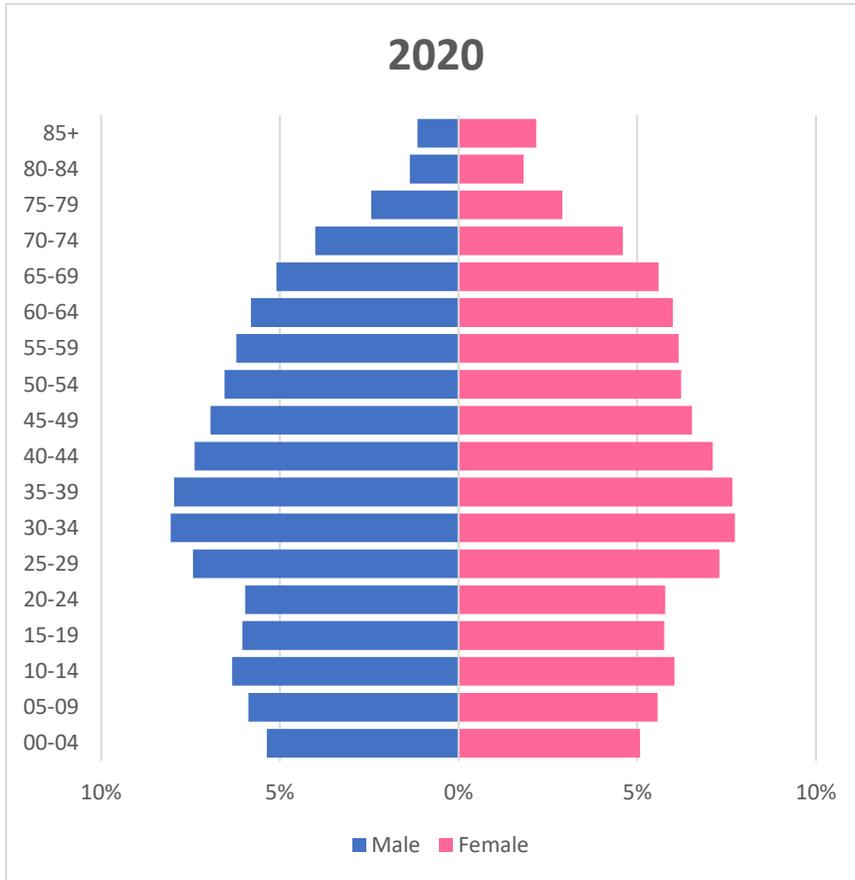


Figure 4: Portland/Vancouver MSA population pyramid in 2020 (source U.S. Census)

Panel members discussed how the regional population pyramid compares with other regions in the U.S.:

- Relative to other states, Oregon has a higher share of population that is 65 and older.
- The region continues to attract young working age migrants (ages 20-39).

### Regional birth rates and fertility rates

Metro staff presented data on age-specific birth rates for the region. As depicted in Figure 5, births are being delayed until later in life and the average woman is having fewer children than in previous decades.

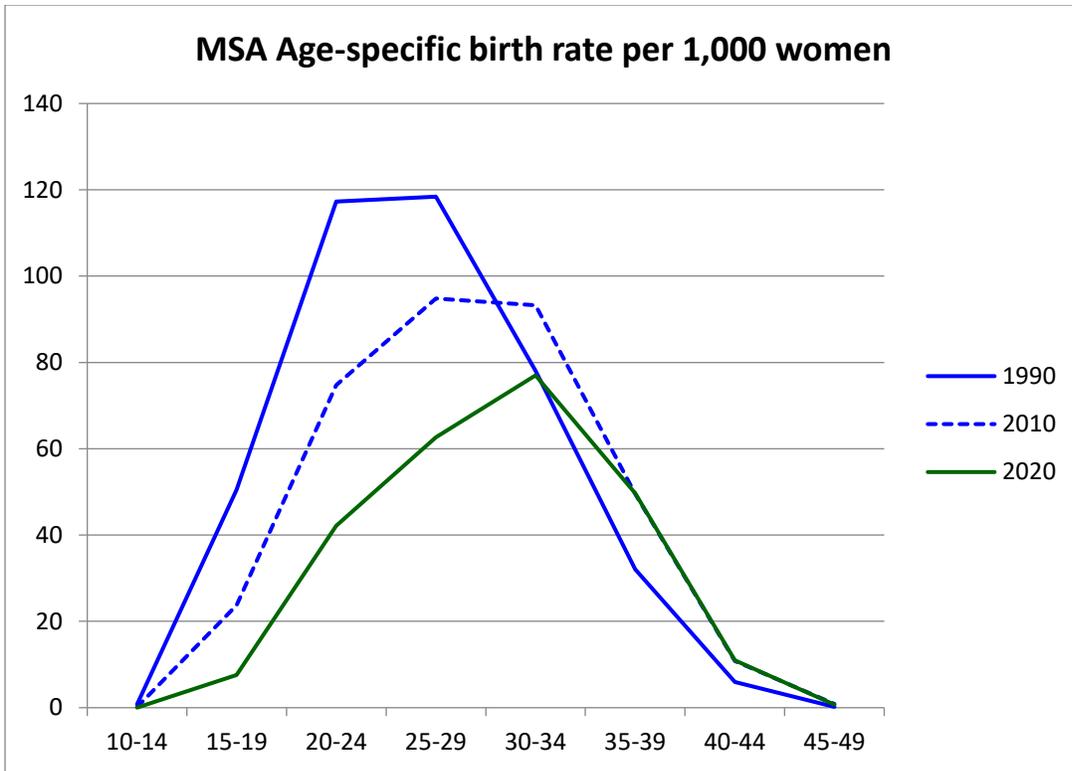


Figure 5: age-specific birth rates for the Portland MSA (source: U.S. Census)

Metro staff also presented total fertility rates for the MSA as depicted in Figure 6.

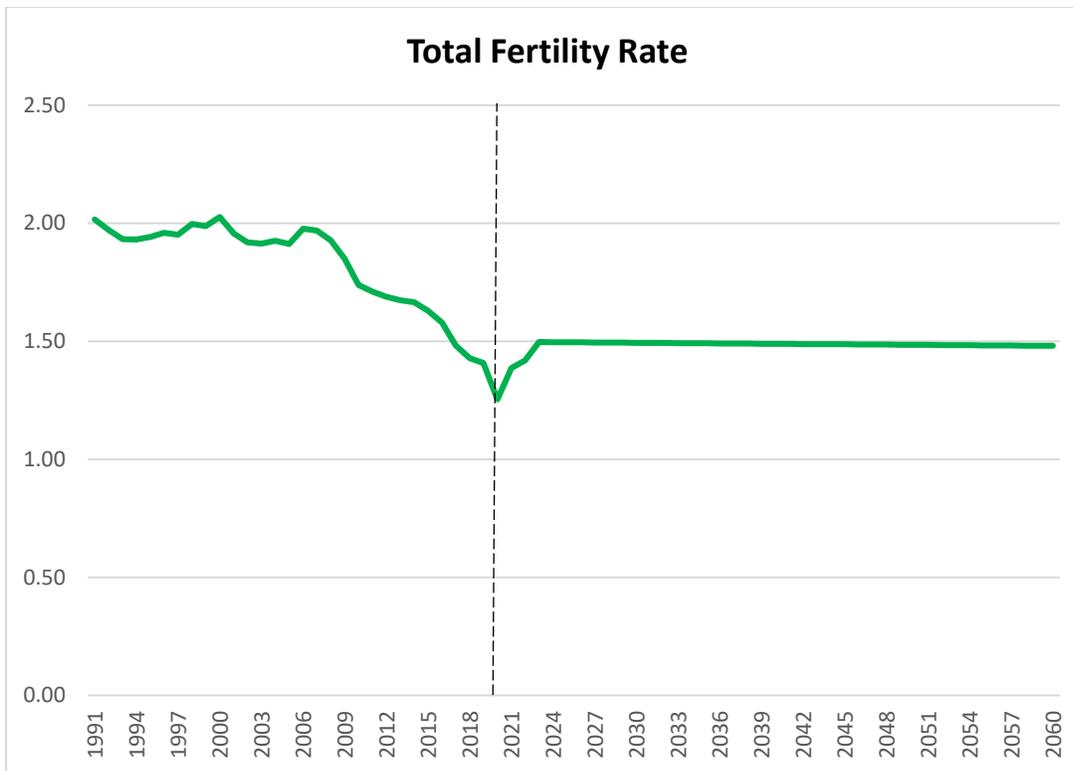


Figure 6: Portland MSA total fertility rate history and forecast (sources: PSU Population Research Center and Metro modeling)

Panelists from PSU’s Population Research Center noted that Metro’s forecast total fertility rate of 1.5 children per woman is slightly higher than PSU’s forecasts for 1.4 children per woman. Metro will retain its assumption of 1.5 for the baseline forecast but will express a low and high forecast range to account for uncertainty around this and other assumptions.

Regional mortality assumptions

Though average life expectancy is expected to rise, the sheer number of people in the Baby Boomer generation will result in rising numbers of deaths in the region in coming years (despite living longer on average). See Figure 7. The peak circa 2020 is because of the pandemic.

## MSA Deaths (Baseline)

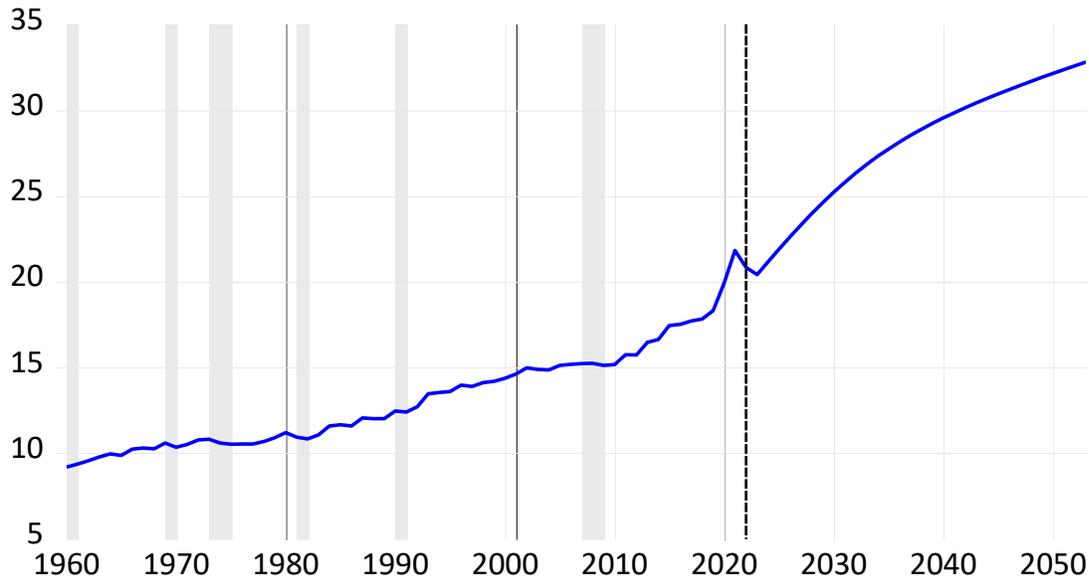


Figure 7: Annual deaths (in 1000s) for Portland MSA (Source: PSU Population Research Center)

Panel members asked whether Metro accounts for the age of people migrating in and out of the region. Metro staff indicated “yes,” that these data come from PSU and include the age of migrants.

Panelists asserted that migrants to the region tend to have better health than people born in the region and inquired whether different life expectancies are assumed for those born here vs. those that migrate here. Metro staff indicated that its forecast does not differentiate.

Panelists inquired whether the forecast includes mortality by race and ethnicity. Metro staff indicated that yes, this is calculated in a post-processor.

### Natural change

Natural change is the net change in total population after accounting for births and deaths. As depicted in Figure 8, natural change in the region will be negative in about a decade when deaths outnumber births. The expert panel did not indicate any disagreement with these fundamental demographic trends. Negative natural change will leave net migration as the potential source of regional population growth.

### MSA Natural Change (births minus deaths)

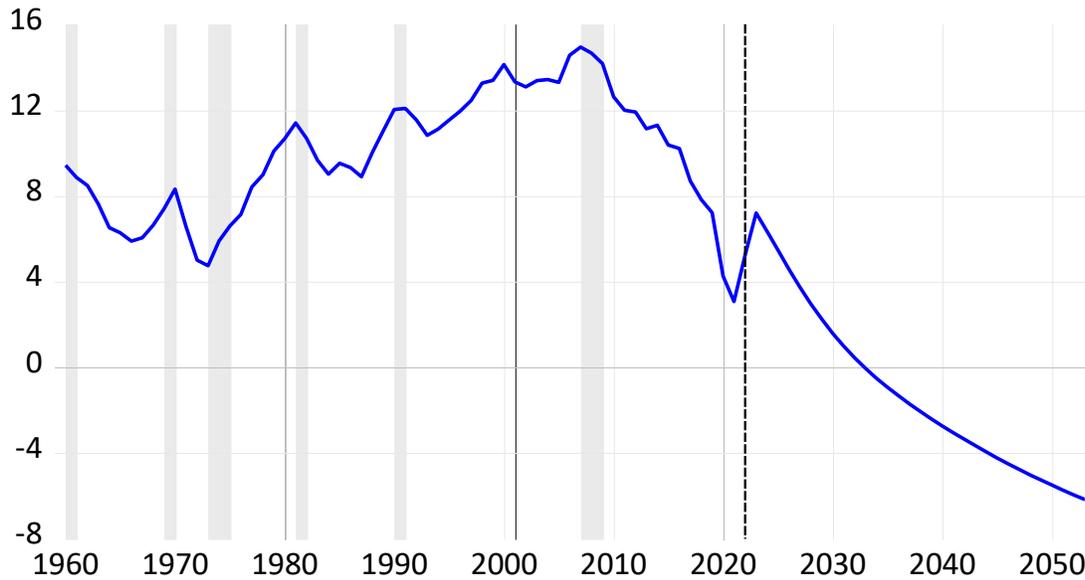


Figure 8: Natural change in the Portland MSA, 1000s of people per year (source: PSU Population Research Center)

### Regional migration

Panelists discussed how migration into and out of the region is volatile and difficult to forecast. See Figure 9.

### MSA Net Migration (Baseline)

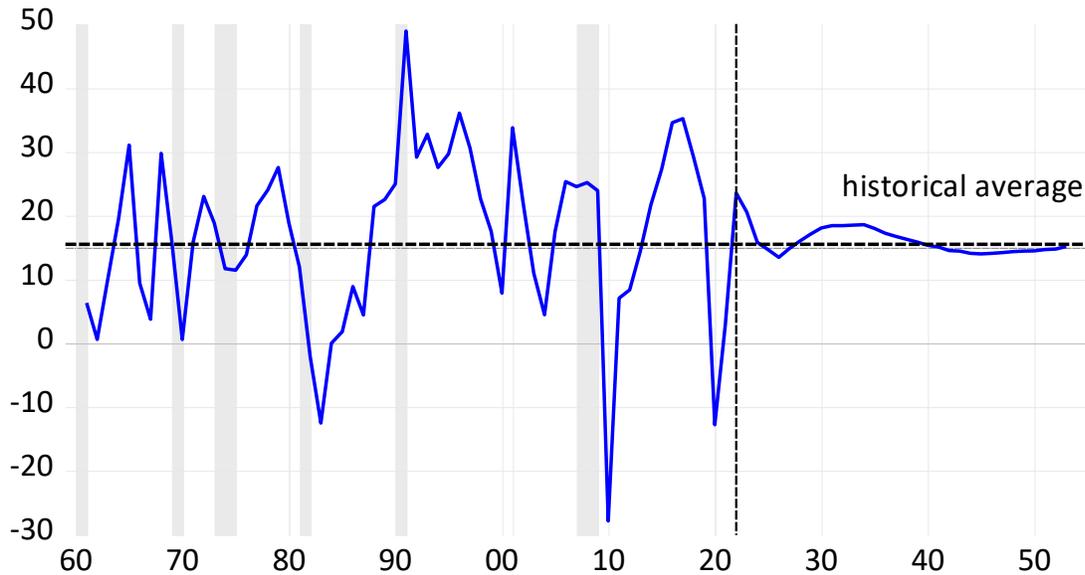


Figure 9: Portland MS net migration, 1000s per year (source: PSU Population Research Center)

Migration rates will determine regional population growth outcomes since natural increase will not be a long-term source of population growth. Panelists indicated that the persistence of remote work, quality

of life concerns in downtowns, and cost of living on the West Coast potentially reduce the relative attractiveness of the region for migration, making it more challenging to forecast than before. Panelists indicated general agreement that using the long-term historic average of about 15,000 net migrants per year into the region seemed reasonable, but that staff should be clear about the uncertainty surrounding that assumption. The State of Oregon Office of Economic Analysis has recently published an analysis of a [zero-migration scenario](#) to assess the potential impacts of diminished net migration.

Staff indicated that this uncertainty is a reason why we utilize a range forecast. The preliminary, pre-peer-review range forecast is depicted in Figure 10. Negative net migration – as factored into the low forecast – would lead to regional population losses. The baseline forecast assumes a continuation of the historic average of net regional migration. The high forecast assumes increased net migration compared to historic averages (in addition to natural increase in population).

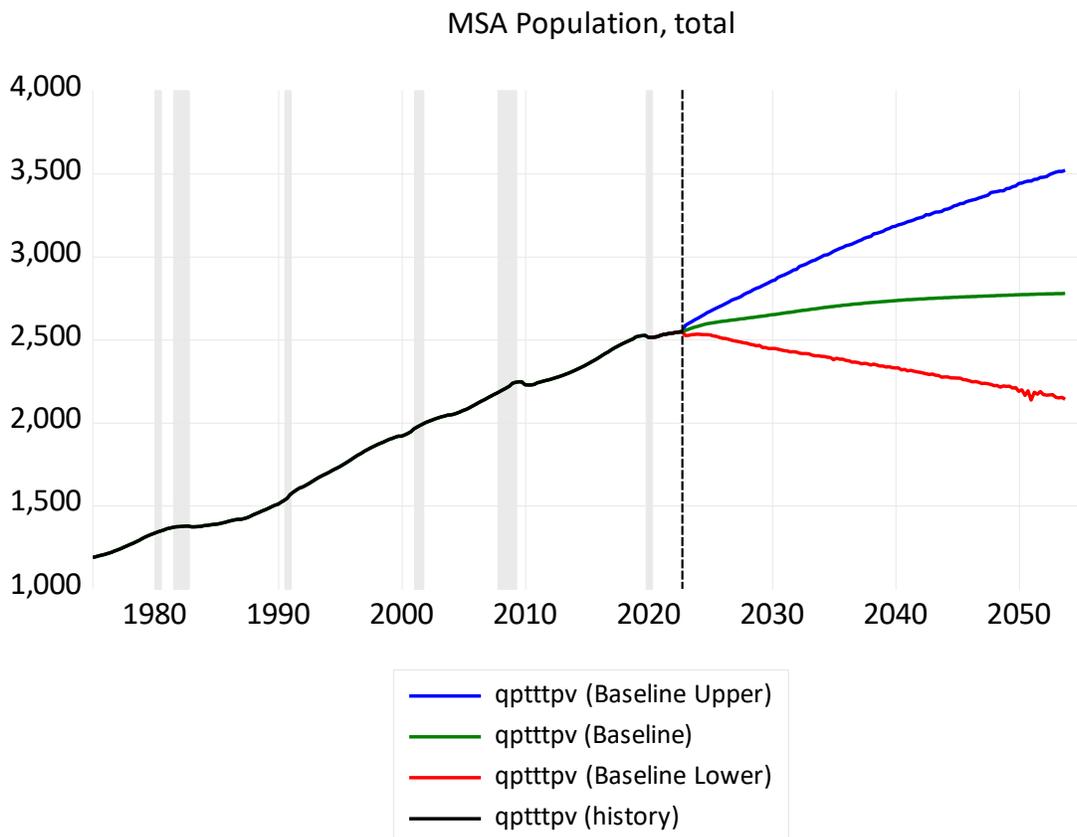


Figure 10: Portland MSA preliminary range forecast for population (in 1000s)

### Housing prices and migration

Some have posited that relatively high housing costs on the west coast are one reason why migration to the region may slow down. Metro staff asked panelists a question that has been posed to them in other venues: could migration into the region be maintained by increasing housing production. The reasoning is that an increase in housing supply could moderate price increases, thereby inducing migration.

Staff's sense is that, while increased housing production should remain a goal for the nation, state, and region, it appears unlikely that it could be achieved at a scale that would give our region an affordability advantage relative to other regions. The scale of housing production needed to give our region that

advantage would likely require that builders in the region build in a speculative fashion, beyond the point of profitability.

Panelists indicated that, under this theoretical construct of intense housing production, the type of housing that gets built would matter. Specifically, homes with more bedrooms would be needed to attract households with children to bolster population growth. Housing with this many bedrooms can be built as multifamily housing or middle housing, but in our region, it has more typically taken the form of single-family housing.

Related, household formation can happen even without population growth. For instance, a person who once lived with roommates may form their own one-person household. One and two-bedroom units accommodate those newly formed small households.

### Climate-induced migration

Staff introduced the topic of climate-induced migration, noting that many believe that our region’s temperate climate could attract migrants leaving unfavorable environmental conditions elsewhere (e.g., extreme heat, sea level rise, increased storm intensity). Panelists indicated that this may be true, but that there is no data trend to indicate that this has happened yet. Panelists cited a recent consumer preference survey in which just two percent of respondents indicated that climate change influenced their decision to move. The panel does not recommend explicitly factoring it into the population forecast at this time. This recommendation is consistent with a [2016 symposium on the topic](#).

Staff suggested that households may become more sensitive to climate risk if insurance companies raise rates for property owners in more vulnerable regions. Staff intends to continue monitoring this issue in future regional forecasts. Countervailing considerations include recent extreme heat in the Pacific Northwest and the increased prevalence of wildfire smoke.

### Regional employment

Staff presented information about employment recovery from the 2020 pandemic recession. As shown in Figure 11, non-manufacturing employment in the region has fully recovered, but manufacturing employment has not (see Figure 12).

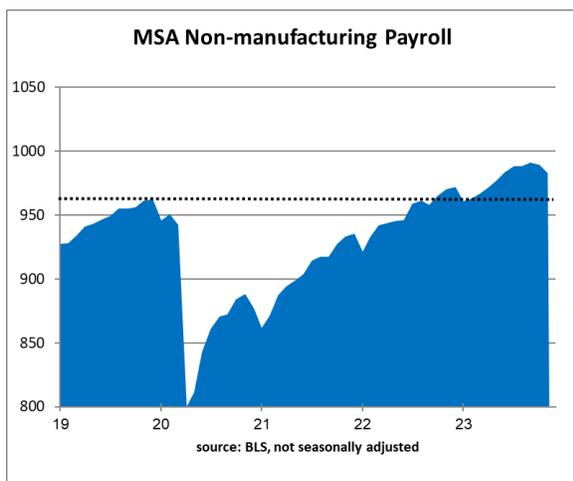


Figure 11: non-manufacturing employment in 1000s of jobs in the Portland MSA, 2019-2024 (source: Bureau of Labor Statistics)

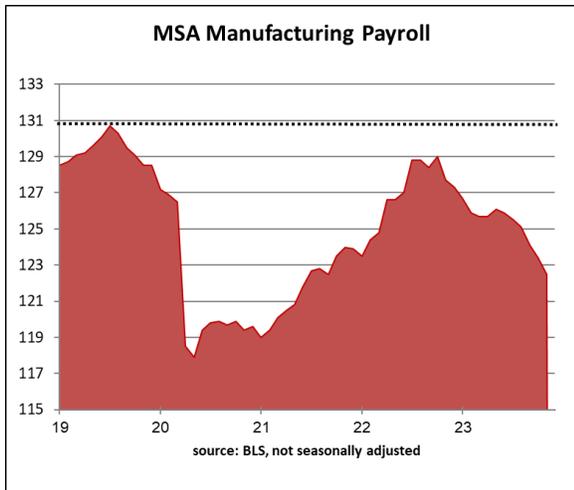


Figure 12: manufacturing employment in 1000s of jobs in the Portland MSA, 2019-2024 (source: Bureau of Labor Statistics)

Moving forward from recent history, Metro staff indicated that they believe that future employment growth rates will track closely with population growth rates, with both at 0.4 percent annual average growth. Staff presented the employment range forecast for the MSA as depicted in Figure 13.

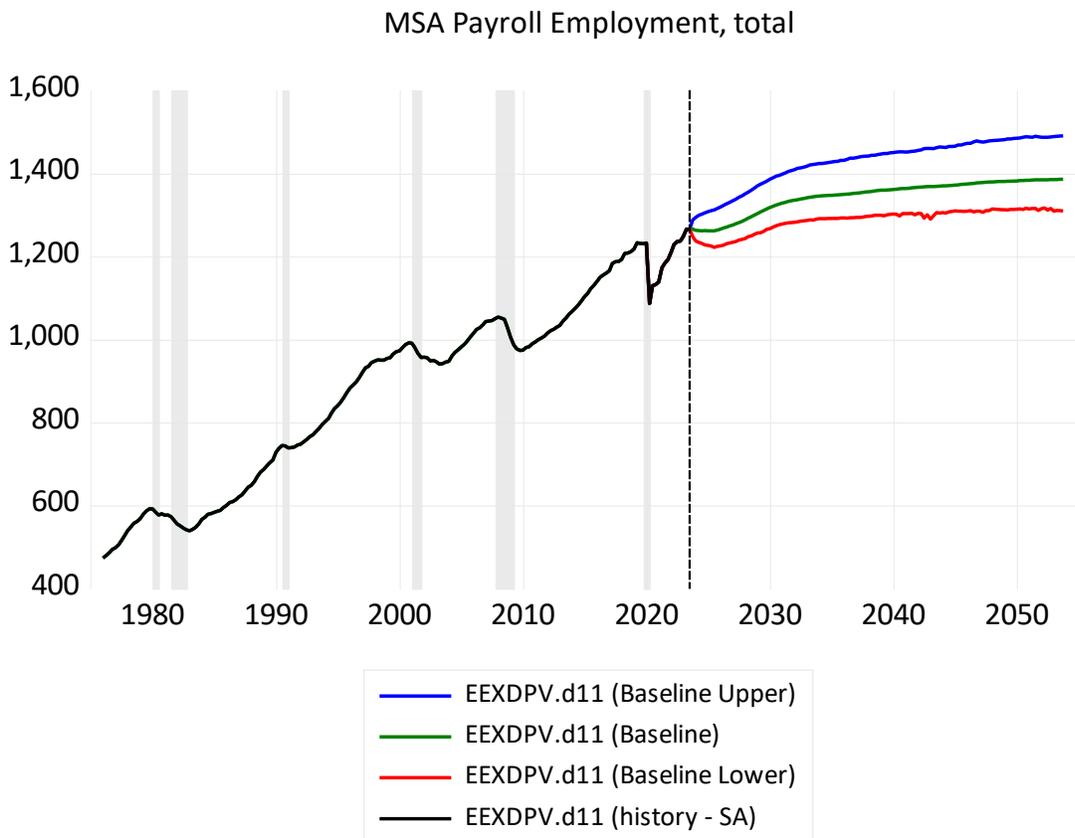


Figure 13: employment history and range forecast for the Portland MSA in 1000s of jobs

Panelists felt that Metro’s preliminary employment forecast looked right in total, but that it was too optimistic about manufacturing employment (see Figure 14 ) and the employment impacts of the CHIPS

Act on computer and electronics manufacturing and fabrication of metal sectors as depicted in Figure 15 and Figure 16.

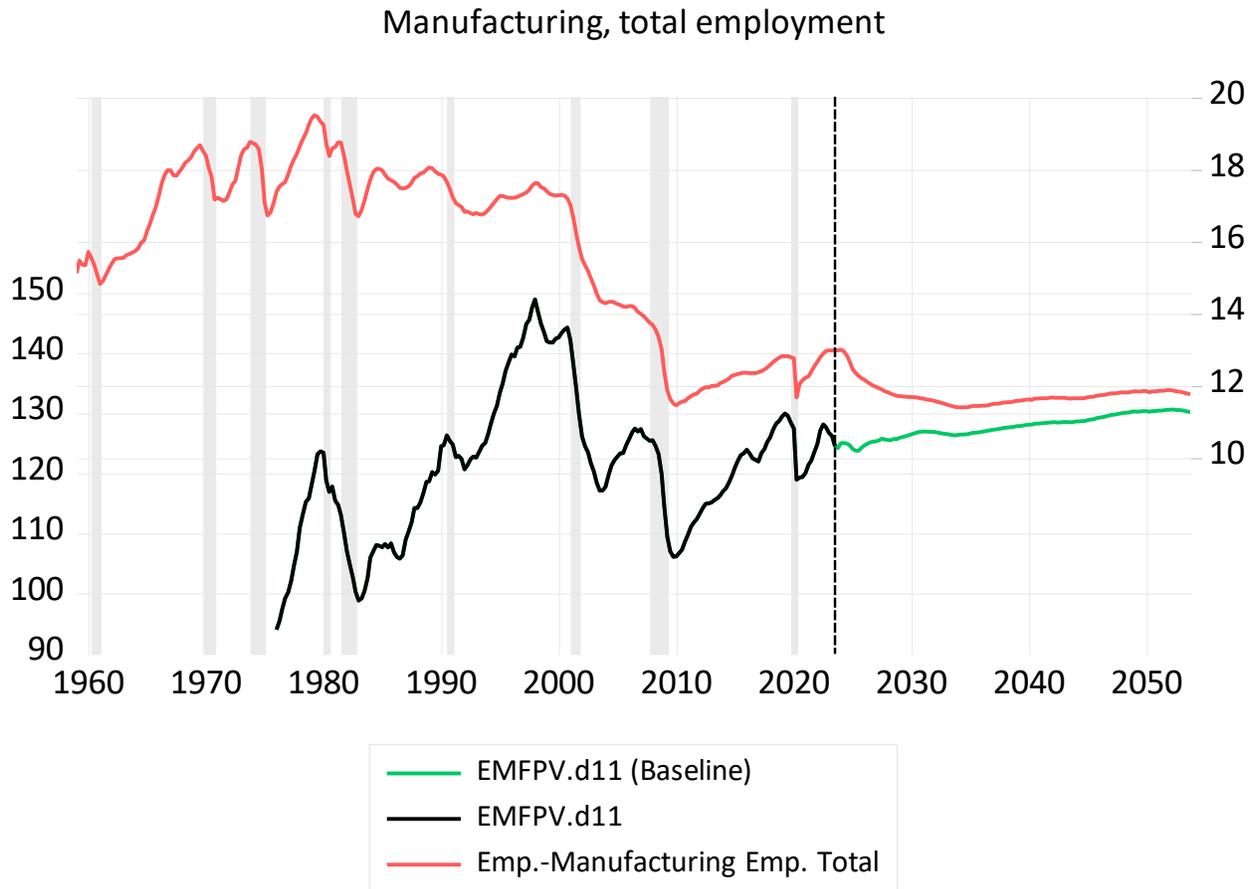


Figure 14: manufacturing employment history and forecast in 1000s of jobs for the Portland MSA (black and green lines) and the U.S. (red line)

### Computer & Electronics employment

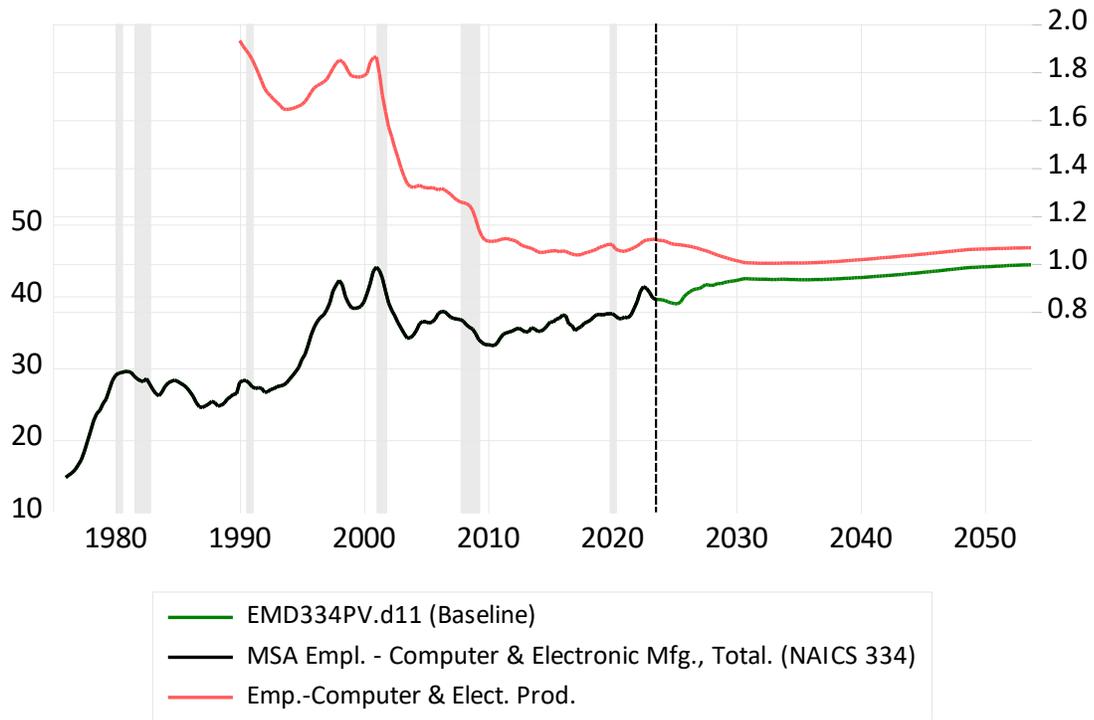


Figure 15: computer and electronics employment; red is U.S.; black is MSA history; green is MSA baseline forecast (in 1000s of jobs)

## Fabricated Metals employment

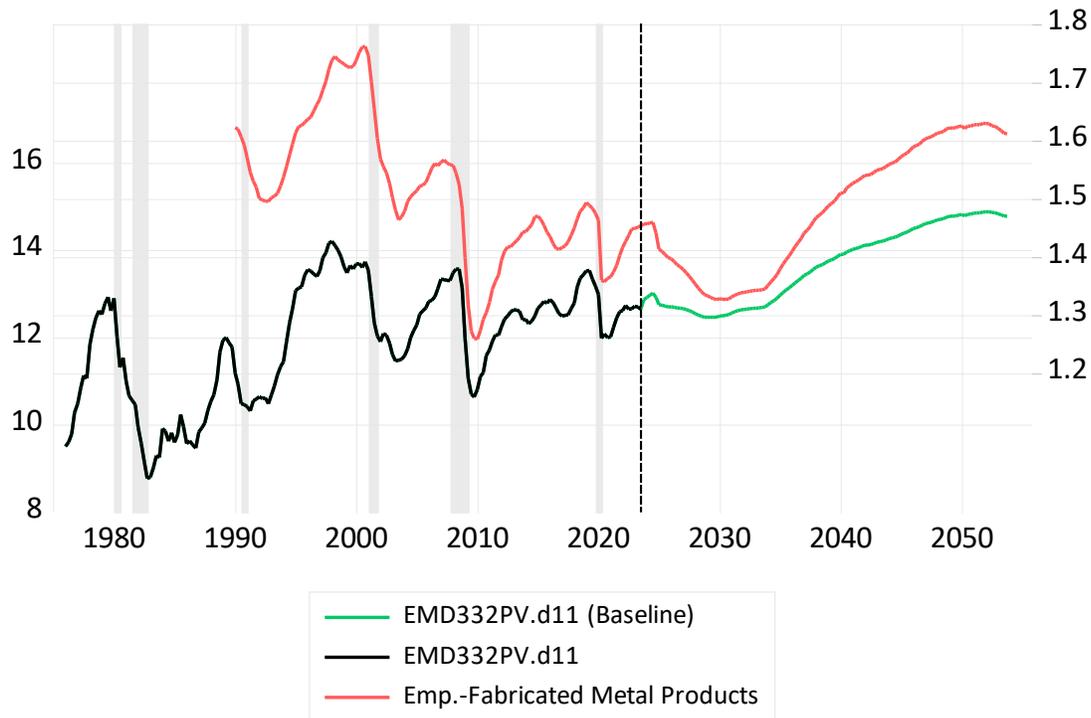


Figure 16: fabricated metals employment; red is U.S.; black is MSA history; green is MSA baseline forecast (in 1000s of jobs)

Panelists noted that Metro “would have to be really confident in the CHIPS Act” to forecast growth as shown in Figure 15 and Figure 16 and that “manufacturing does not seem like the most likely sector for employment growth.” Panelists indicated that Metro’s forecast for manufacturing carried “too much long-term momentum from the one-time shock of the CHIPS Act” and that, while there may be a short-term bump in high-tech manufacturing, it will be relatively small in the context of overall employment. In summary, panelists indicated that the CHIPS Act is best thought of as preventing manufacturing job losses that would likely otherwise occur over the next decade. Panelists further noted that the statewide forecast show a decline in metal fabrication.

Longer term (past 10 years), panelists believe there is too much uncertainty around technological changes, automation, and productivity to be confident in sustained high-tech manufacturing employment growth when the historic trend would indicate otherwise.<sup>1</sup>

In response, Metro staff will adjust the computer and electronics and metal fabrication sector forecasts downward slightly. The result is that computer and electronics manufacturing employment—after an initial increase—will be at roughly year 2022 levels by the end of the forecast period in 2044. Metal fabrication will be at roughly pre-pandemic levels by 2044.

Panelists inquired whether the first ten years or the end point (year 2044) that matters for the growth management decision. Staff indicated that the land need analysis looks at the 20-year timeframe that

<sup>1</sup> As depicted in Figure 14, today in the Portland MSA, there are about 85 percent the number of manufacturing jobs that there were in 1998.

begins in 2024 and ends in 2044. Panelists reiterated their view that the longer-term outlook for manufacturing employment is flat at best.

Regarding other employment sectors depicted in Figure 17, panelists discussed the following, but did not indicate any disagreement:

- The high growth rate depicted in the natural resources (mining and logging) sector is because of its small size (i.e., small increases in absolute numbers result in big growth rates).
- The computer and electronic manufacturing sector is expected to grow slower (flat growth) than in the past.
- There will be a notable decline in the transportation and warehousing sector (U.S. and Portland MSA) after a decade of steep growth.
- Drivers for state and local government sector growth:
  - Slowing population growth will really impact this sector
  - However, positive tax collections and budget can drive this sector forward too
- Range forecast – in the past, the Metro Council has adopted the baseline (most likely) forecast.

<u>Industry Name by NAICS</u>	APR%:	History	ST	LT
		1976-2022	2022-32	2022-45
Total Nonfarm Payroll		2.1%	0.9%	0.5%
Manufacturing, total		0.6%	0.0%	0.1%
Durable MF, total		0.7%	0.0%	0.1%
Lumber products		-1.9%	-1.3%	-1.1%
Primary metals		-0.1%	-0.6%	-0.7%
Fabricated metals		0.6%	0.0%	0.6%
Machinery		0.4%	-1.5%	-0.6%
Computer & Electronics		2.1%	0.4%	0.3%
Transportation Equipment		-0.4%	-1.9%	-1.5%
Other Durable MF		0.8%	0.9%	0.5%
Non-durable MF, total		0.2%	0.0%	0.0%
Food processing		1.0%	0.0%	0.0%
Paper products		-2.1%	-1.5%	-1.4%
Other Non-durable MF		0.3%	0.1%	0.3%
Private Non-manufacturing, total		2.5%	1.0%	0.6%
Natural resources		-0.9%	4.8%	1.7%
Construction		2.9%	2.4%	1.2%
Wholesale trade		1.4%	0.5%	0.3%
Retail trade		1.5%	0.5%	0.6%
Transportation, Warehousing & Utilities		2.1%	-1.1%	-1.4%
Info - Publishing		3.5%	1.6%	0.0%
Info - Internet		0.8%	1.2%	0.4%
Finance & Insurance		1.5%	1.3%	1.1%
Real Estate		2.6%	0.4%	-0.2%
Pro., Sci., Tech. services		3.9%	0.6%	0.5%
Mgmt. of Companies		4.2%	0.8%	0.3%
Admin. & Waste Mgmt. Services		3.5%	1.4%	1.2%
Education		3.6%	1.2%	-0.1%
Health care		3.3%	1.4%	0.9%
Leisure		2.3%	3.1%	2.0%
Hospitality		2.5%	0.9%	0.3%
Other services		2.3%	1.5%	1.0%
Government, total		1.4%	1.0%	0.3%
Federal gov.		0.3%	0.4%	0.2%
State & Local gov.		1.5%	1.1%	0.4%

Figure 17: Employment growth rates by sector in the Portland MSA, history and forecast

### Work from home and office vacancies

Staff presented a comparison of work from home trends in several metropolitan areas (Figure 18). Staff noted that this topic was somewhat outside of the regional forecast review scope, but that our growth management assessment will need to account for changes in demand for commercial office space. Panelists correctly noted that survey respondents may in fact be working in the office some days but reported that they primarily work remotely. Panelists also noted that work from home shares may

decrease somewhat if the labor market loosens (i.e., employers have more bargaining power over working conditions). Staff will strive to account for these considerations as they estimate commercial office demand.

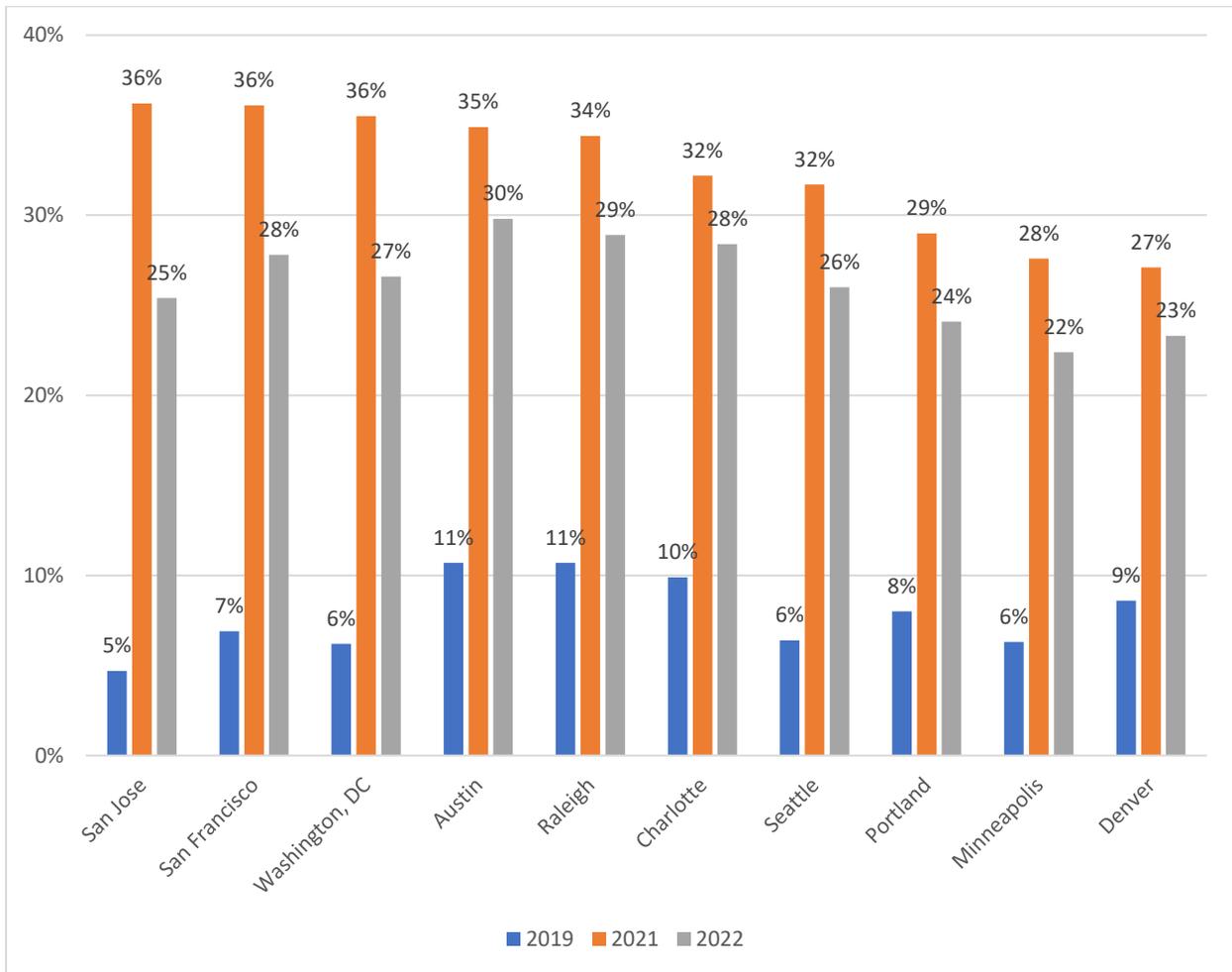


Figure 18: comparison of shares of all workers in different MSAs reporting that they primarily work from home (source ACS)

### Office vacancies

As with work from home trends, staff introduced the topic of office vacancies as potentially being outside of the panels' area of expertise. However, staff is interested in whether we need to consider office vacancies as a source of growth capacity (we have not in the past, instead focusing on vacant land or redevelopment of existing structures). Metro staff believes that vacancies will reset in the next couple years or so and will likely not be a long-term capacity consideration.

Materials following this page were distributed at the meeting.

# Middle Housing panel

February, 2024



Metro

# Panelists

City of Portland

City of Beaverton

City of Milwaukie

City of Gresham

City of Hillsboro

City of Wilsonville

# Middle housing legislation

**HB2001 (2019)** Legalizing middle housing, townhomes in urban low density residential zones

**SB458 (2021)** Middle housing land divisions

**SB534 (2019)** Allow development of historic platted residential lots

**SB1051 (2017)** Clear and objective standards for needed housing



Metro

# City of Milwaukie



# Background/History (HB2001) – City of Milwaukie

- Prior to HB2001, Milwaukie permitted duplexes and ADUs – required land use review
- Comprehensive Plan
  - 2017 community vision included “expanding middle housing”
  - 2020 Comp Plan Housing Policy 7.1.1: provide the opportunity for middle housing in low and medium density zones
- Code amendments – 9 month public process – all infill

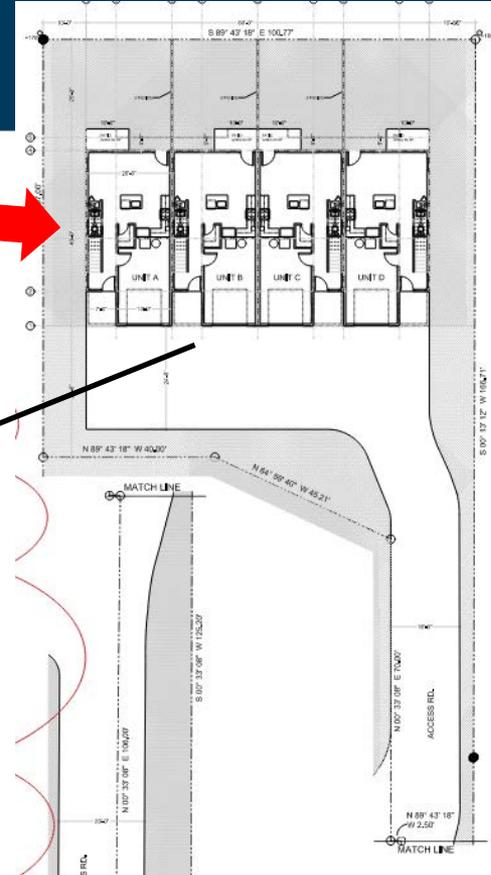
# Interest/production today

Developer interest is high.

- 3 - Large site cottage clusters
- 3 - Small site cottage clusters
- 3 - Plexes
- 5 - Townhouses
- Multiple Conversions
- Very few SFR



# Interest/production today

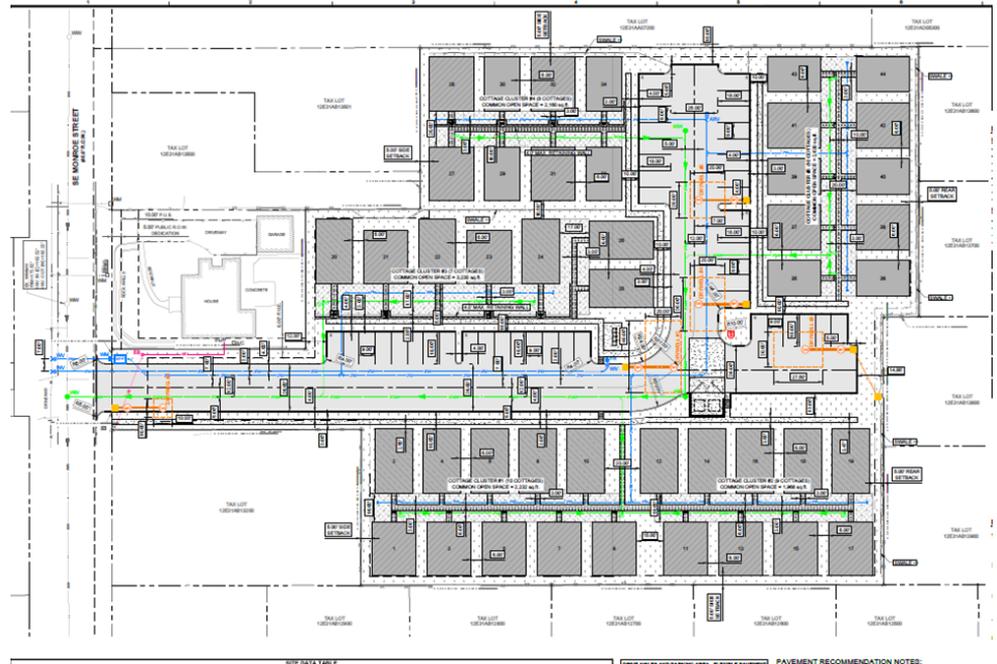


Quadplex on a  
flag lot

# Interest/production today

## Large site cottage cluster

- 2.2 acres
- 44 cottages in 5 clusters



# Interest/production today - challenges

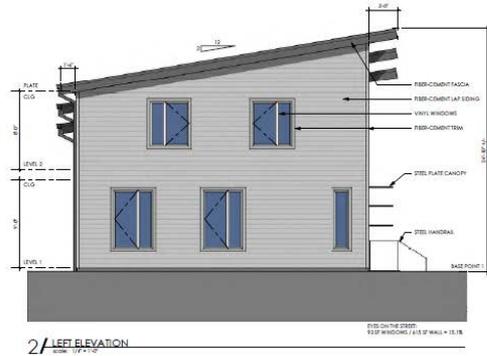
- So many options
  - Anticipate future plans
- HOA vs MHL D
  - Type II review for MHL D
- Ownership vs rental
- Utility connections
- Tracking improvements in MHL D



# Is it achieving the goals?

How do we influence what builders build?

- Flexibility
- Incentivize middle housing



# Is it achieving the goals?

## Barriers to middle housing development:

- Lack of understanding
  - Condo/HOA/MHLD/rental
- Cost of development
  - Utilities
  - SDCs





# Resources

Vera Kolas, AICP, Senior Planner

[koliasv@milwaukieoregon.gov](mailto:koliasv@milwaukieoregon.gov)

503.786.7653

[Learn more](#)



Metro

# City of Hillsboro

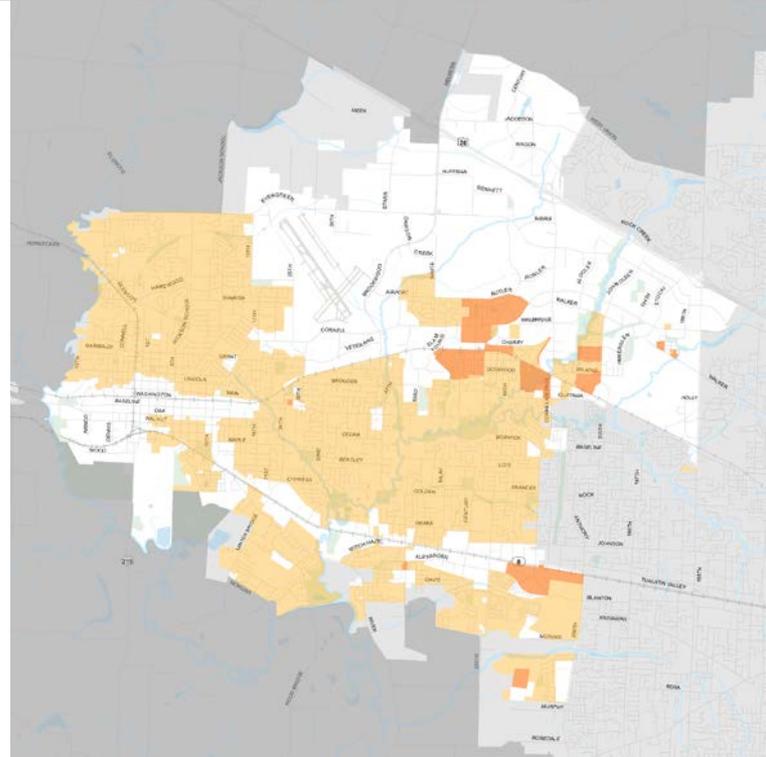
# Background/History (HB2001)

- About 15% of Hillsboro's current total housing units are townhomes, duplexes, triplexes, and quadplexes
- Prior to HB2001, thousands of middle housing units were built, with the largest number being townhomes followed by duplexes.
- Most middle housing units were built in medium-density zones, those in low-density zones thru a PUD.
- In the South Hillsboro residential expansion area, about 30% of the 2,400 housing units built so far are townhomes for homeownership.



# Background/History (HB2001)

- As part of HB2001 implementation, Hillsboro did not incentivize middle housing when updating its code in early 2022.
- Hillsboro created opportunities for middle housing by reducing the application process time for middle housing (and single dwelling units) in creating a checklist system for zoning review.
- Since adoption of HB2001 code amendments, 5 duplexes and approximately 60 townhome units received building permits.
- Townhome lot standards are now pretty easy to meet (1,500 sq ft average of all lots in the project so can have smaller lot size allowed outright).





# Interest/Production Today

- No one in Hillsboro is building stacked plexes due to implications for Building code.
- Often see requests for minimum residential lot size reductions for detached and attached dwellings thru a PUD process, particularly in low-density areas.
- Seeing interest in middle housing land divisions and re-establishment of small, historic lots smaller than minimum lot size (3,300 sq ft, alley loaded) in one area of the city.
- Not seeing a correlation with proximity of middle housing development to 2040 design types.



# Interest/Production Today

- Habitat for Humanity recently developed two affordable housing projects in Hillsboro with 10 and 18 townhome units respectively, one in a low-density zone the other not.
- Developers and property owners are having difficulty understanding HB 2001 requirements
- For example, what is the allowable density on their property due to the middle housing allowances, especially if wanting to do a mix of housing types which have varying or no maximum densities.



# Is it achieving the goals?

- With HB2001 code amendments in early 2022, Hillsboro did not take many measures beyond minimum compliance with DLCD rules in zoning and development code.
- Hillsboro's recently completed Housing Capacity Analysis did not identify a deficit of middle housing units by 2043.
- Hillsboro's Housing Production Strategy just underway will assess strategies and tools to encourage or incentivize more affordable middle housing production.





# Resources

Housing Hillsboro: House Bill 2001

[Code Amendment Projects |  
City of Hillsboro, OR  
\(hillsboro-oregon.gov\)](#)

**Learn more**



Metro

# City of Portland

# History of Portland's Middle Housing Initiatives

Prior to 1940's – most areas were zoned simply “residential”

War code housing – relaxed standards for multiple units during WWII

Between 1924 & 1959 – more than 9,000 acres converted to SFR

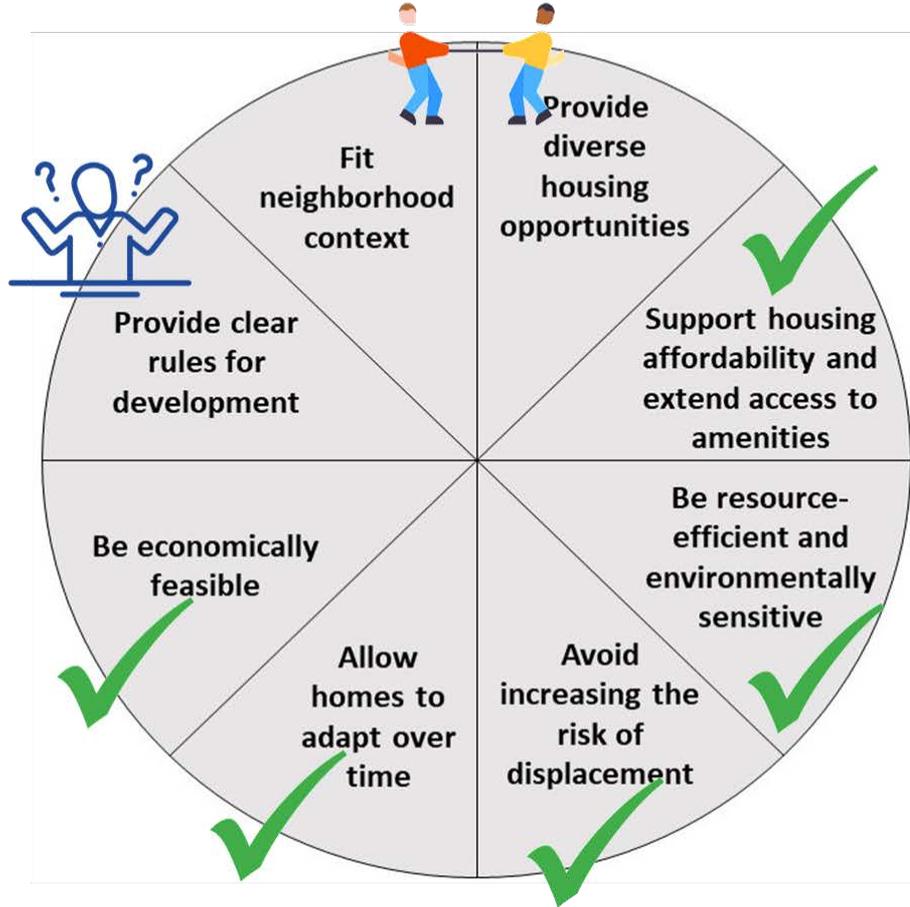
1981 – Accessory Rental Units introduced

1991 – Corner lot duplexes introduced

2015 - 2021 – Residential Infill Project (triplexes, fourplexes, etc)

2022 – Residential Infill Project, Part 2 (cottage clusters, MHLDs)

# Goals of the Residential Infill Project



# RIP Year One Key Takeaways

Excluding ADUs, nearly **75% of housing units** permitted in RIP zones were **Middle Housing projects**.

**Fourplexes** accounted for more than  $\frac{3}{4}$  of middle housing units in these zones.

On average, middle housing uses land nearly **three times more efficiently** than single houses.

**ADUs are still an important part of the housing mix**, producing an equal number of units as middle housing.

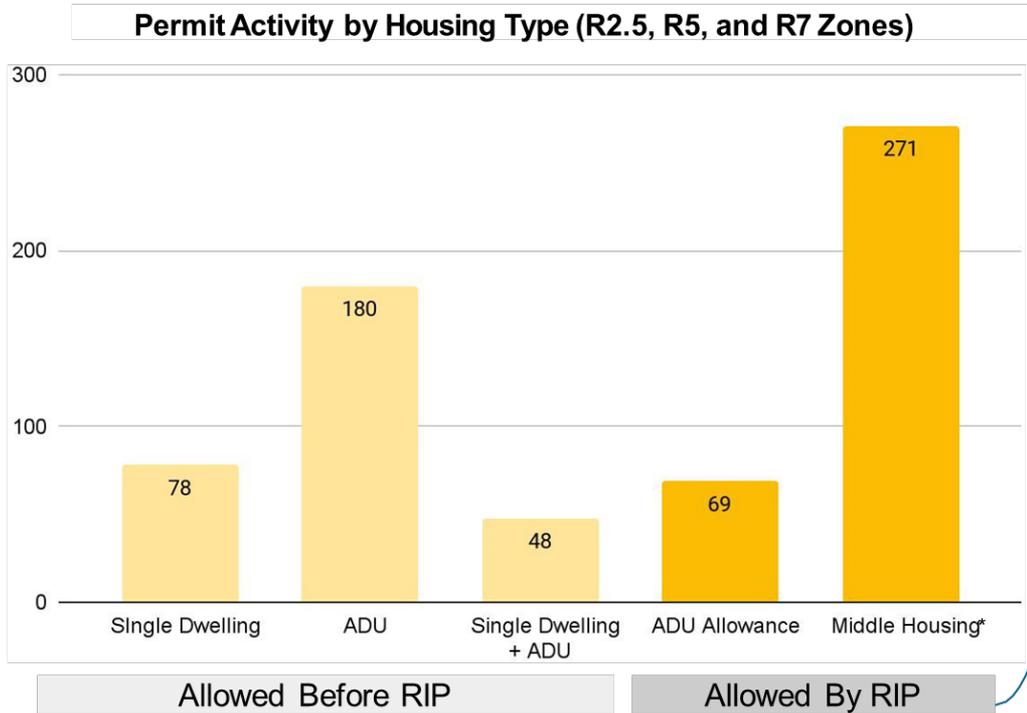
But unlike ADU's, **over 99% of middle housing units had 2 or more bedrooms**, enabling growing “starter” households.

New FAR limits have **prevented very large, and more expensive single dwelling homes** from being built.



*Image Source: Zillow*

# 1<sup>st</sup> year – RIP Permit Activity Overview



**RIP-Enabled Units Permitted by Housing Type**

Aug 1, 2021- July 31, 2022

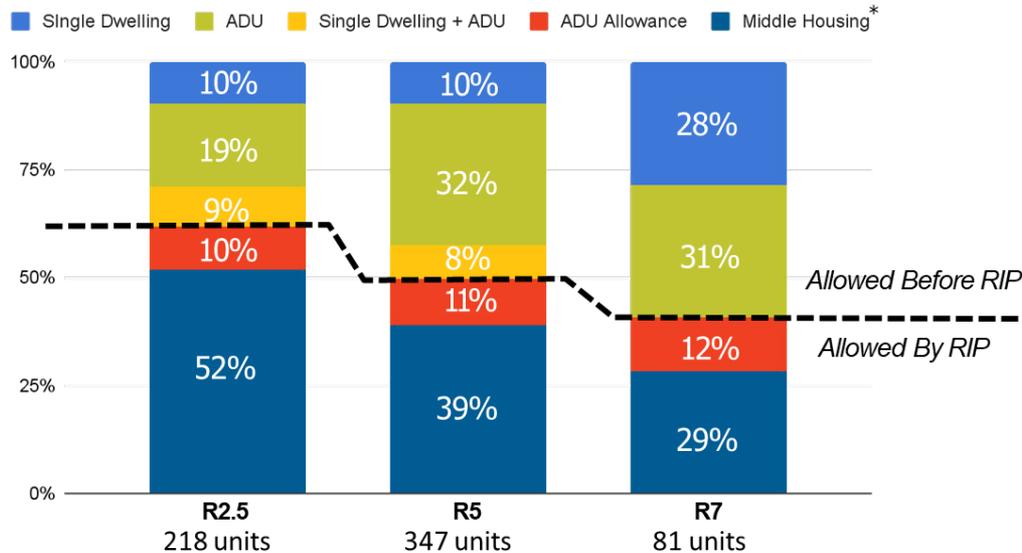
	ADU Allowances	69
	Duplex	38
	Triplex	
	Fourplex 75%	
	Sixplex	2
		<b>204</b>

# 1<sup>st</sup> year – RIP Permit Activity Overview

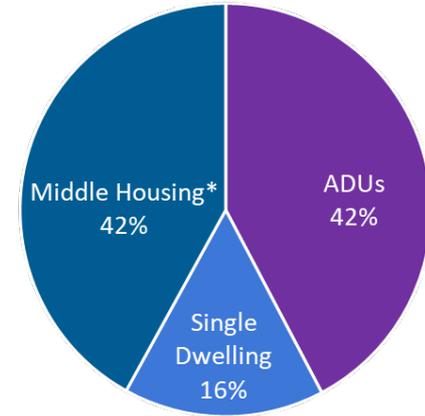
Higher MH utilization in higher density zones:

ADU's are still a significant player:

**Percent of Units Permitted by Housing Type in RIP Zones**



**Percent of Units Permitted (SD, ADU, MH)  
R2.5, R5, R7**



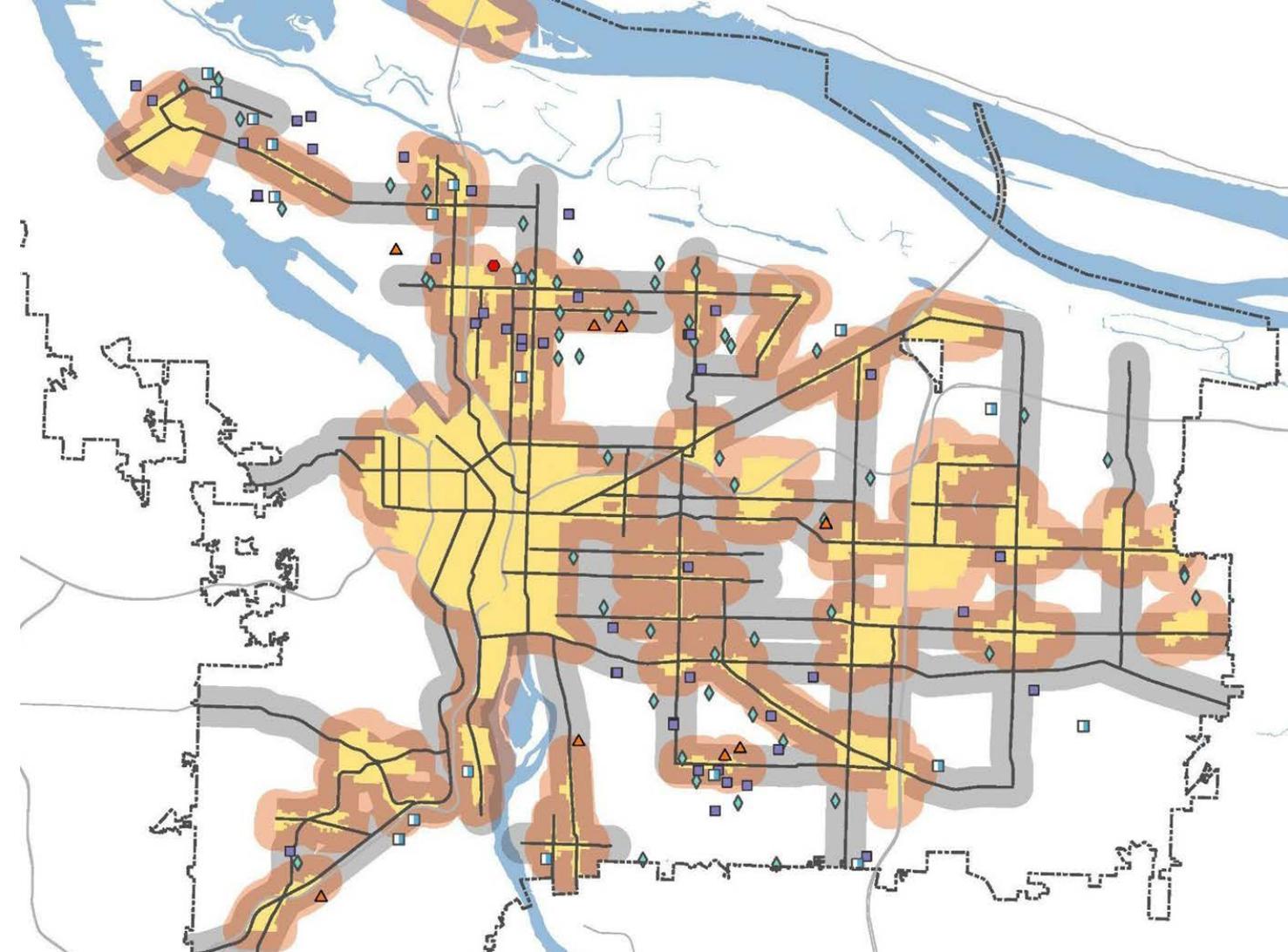
\*Middle Housing category includes corner duplexes

# RIP Y1 Middle Housing Permits, Centers, Corridors

## Legend

### Permit Type

- ◆ ADU Allowance
- Duplex or Duplex on Corner
- ▲ Triplex
- Fourplex
- Sixplex
- Centers
- Centers 1/4 Mile Buffer
- Corridors
- Corridors 1/4 Mile Buffer
- Highway/Freeway



RIP's impact is not just in what it allows, but also in what it does not.

New Detached Single-Family Home Sales above and below RIP FAR Limits



## Pre-RIP Context Analysis Snapshot

1,178

Total new (built since 2018) detached single dwelling homes sold 2018 - 2022

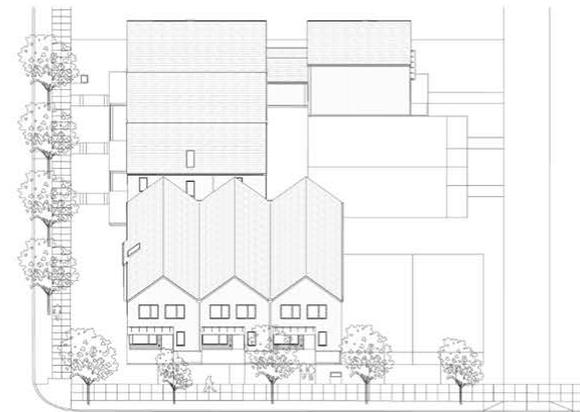
44%

Percent of new detached single dwelling homes sold over FAR threshold

\$117k

Average sale price difference between homes above and below FAR limits set by RIP

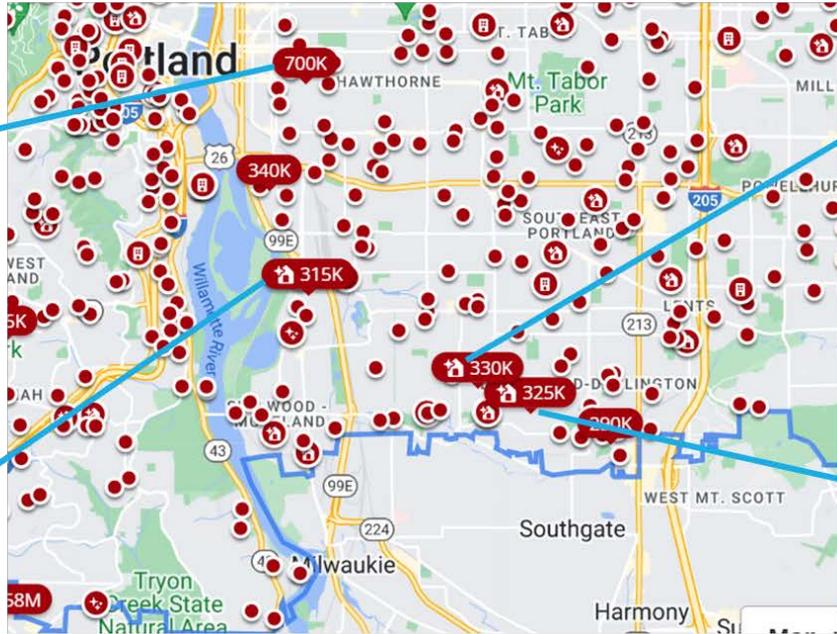
Source: RMLS data (Q1 2018 - Q2 2022)



To plan for potential further allowable density in the future, the site plan is configured to accommodate four additional townhouses to complete the block. In all the new units, simple forms and materials are used to both relate to the scale and character of the existing residential context and to create a quietly distinctive new development.

*Image Source: Woofter Bolch Architecture*

# Next step – year two & affordability



# Challenges along the way

Too many choices

Infrastructure, infrastructure,  
infrastructure

Financial & other barriers

Long-term outlook for MHL  
projects

Design stagnation

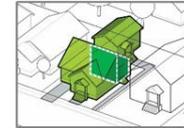
What can I build? What do you want to build?



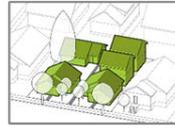
House



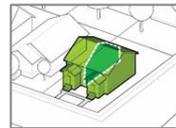
House + ADU



House+2 ADUs



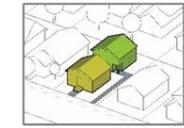
Cottage Cluster



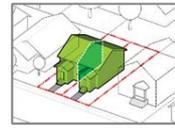
Duplex



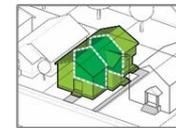
Duplex + ADU



Detached  
Duplex



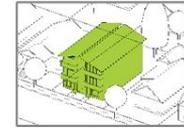
Attached Houses



Triplex



Fourplex



Affordable  
sixplex



Affordable  
townhouses

# Resources

## My contact info:

[Morgan.Tracy@PortlandOregon.gov](mailto:Morgan.Tracy@PortlandOregon.gov)

## Residential Infill Project:

[portland.gov/bps/planning/rip](http://portland.gov/bps/planning/rip)

- Resources for understanding the new development options, including MHLDs
- Project staff report
- First year monitoring report

## History of Racist Planning in Portland:

[portland.gov/bps/planning/adap/history-racist-planning-Portland](http://portland.gov/bps/planning/adap/history-racist-planning-Portland)



Metro

# City of Gresham

# Gresham's Background/History (HB2001)

- **Prior to HB2001**

- Detached and Attached Accessory Dwelling permitted with single attached and detached dwellings
- Townhouse developments permitted in moderate-density residential districts but very restricted in low-density residential districts
- Duplexes permitted but very restricted in low-density residential districts
- Duplexes – Quadplexes treated as multi-family
- Cottage Clusters permitted in a limited fashion through a special process and standards (e.g., pilot project) in limited districts.

# Gresham's Background/History (HB2001)

- Efforts to implement legislation - both infill and new urban areas
  - Utilized “Division 46” rules to effect design standards on both “middle housing” and single detached dwellings
  - All middle housing unit types (single detached and attached dwellings, attached and detached duplexes to quadplexes, townhouses, and cottage clusters) are permitted in all districts that had previously permitted single detached dwellings

# Interest/production in Gresham today

What is the level of interest from developers in producing middle housing in Gresham?

In-fill middle housing – 2

Greenfield middle housing - 5



# Interest/production in Gresham today

What challenges have been presented by state-level housing reforms?

- Property valuation increase
- Tepid interest in “in-fill” middle housing development – very slow start
- High interest in “greenfield” middle housing development – dividing land for MHLD



# Is it achieving the goals?

How do we influence what builders build, or bolster those builders that are building these housing types?

In Gresham – too early to tell.



# Is it achieving the goals?

## What are barriers to middle housing development in Gresham?

- Quality and variation design standards – single detached dwellings
- Provision of franchise utilities (e.g., PGE) in greenfield developments
- Potential conflict with providing suitable street tree canopy





Metro

# City of Beaverton

# Beaverton Background/History (HB2001)

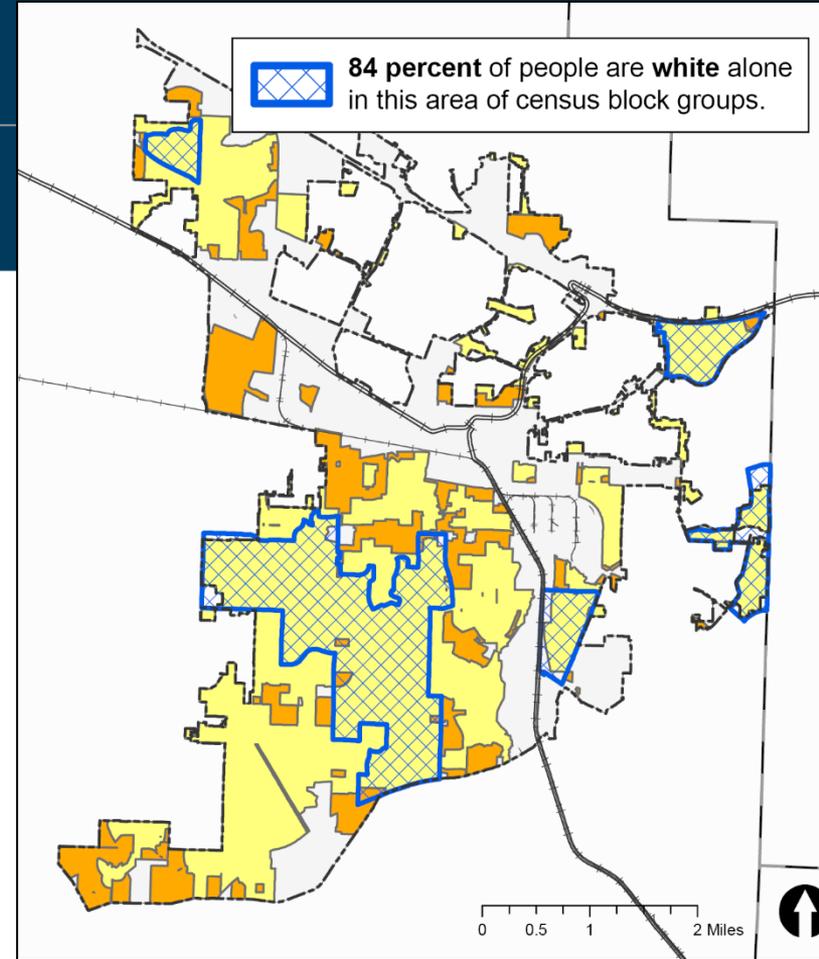
- Housing Options Project began prior to HB2001, included analysis of historical racist zoning and housing practices
- Delayed to re-scope project to incorporate HB2001 requirements
- Adopted changes went above and beyond requirements



# Beaverton Zoning Analysis:

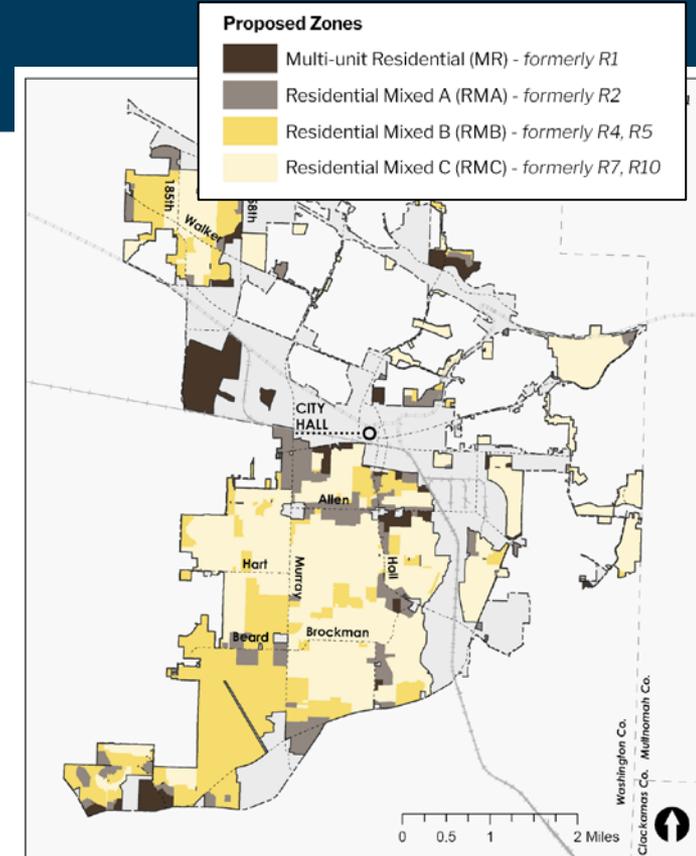
Public and private actions contributed to:

- Racial and ethnic segregation
- Disparate outcomes for income, wealth, education, health
- Many Beaverton areas zoned only for single-detached homes are mostly white and have higher incomes



# Code Updates: Land Use and Zoning

- Complete overhaul of most residential zoning districts
- Housing type largely determined by available lot area
- Established Design Review for single detached homes, new open space and tree-planting requirements



# Interest/production today

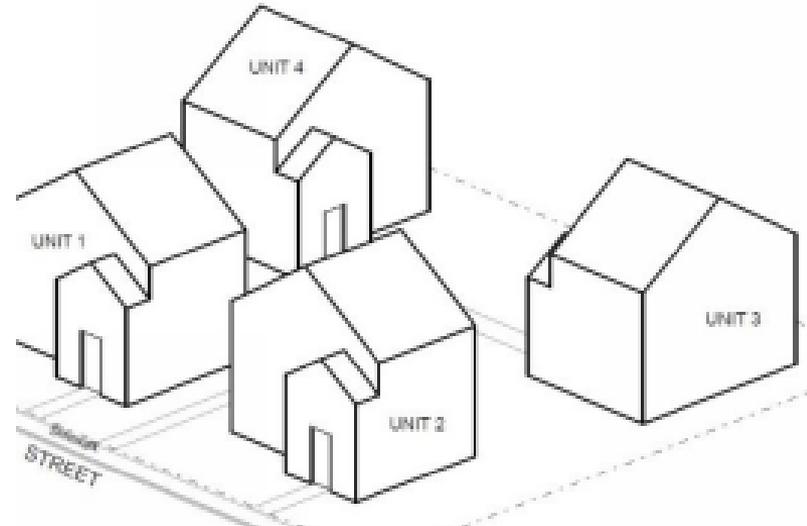
Two categories of interest:

- Homeowners
- Developers of small subdivisions – less than 15 units; interest in Middle Housing Land Divisions

Selected challenges:

- Overlap with multi-dwelling development
- Townhouse definition conundrum
- Detached plexes conundrum

*Figure 12. Detached Quadplex*



# Interest/production today

Challenges due to technical issues, not disagreement with goals.

- Access/transportation requirements
- Service provider coordination
- Relentless new requirements: HB2306, CFEC, and more coming from Salem this year.



# Is it achieving the goals?

How do we influence what builders build, or bolster those builders that are building these housing types?





# Resources

[Housing Options Project | Beaverton, OR - Official Website \(beavertonoregon.gov\)](#)

*Contact:*

*Anna Slatinsky*

*Planning Division Manager*

[aslatinsky@beavertonoregon.gov](mailto:aslatinsky@beavertonoregon.gov)

**Learn more**



Metro

# City of Wilsonville

# Background (Pre-HB2001)

## Wilsonville

- Planned Developments resulting in housing mix
- Townhomes & Duplexes
- Villebois: townhouses, stacked condos, carriage homes, plexes

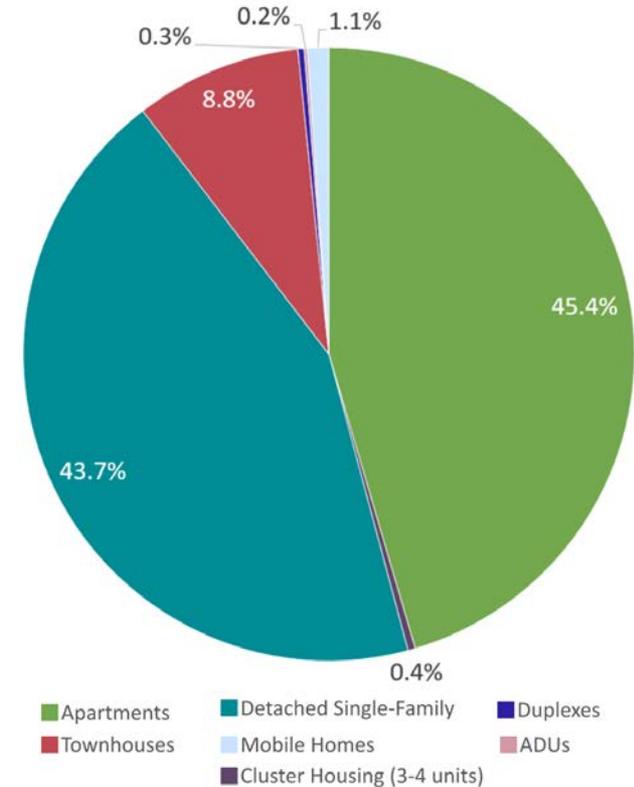


Figure 15. Housing Mix in 2022



# Background (Pre-HB2001)

## Wilsonville



Serene Acres Duplex



Charbonneau Duplex



Charbonneau Duplex



# Background (Pre-HB2001)

## Wilsonville



Old Town 4-plex



Old Town Single-Family + ADU



Old Town Cottages

 Villaboys: triplex, fourplex, brownstones, carriage homes, attached & detached townhomes



# Interest/production (Post-HB2001)

- “so many options”
- Most include MH land divisions
- More ADUs
- Townhomes and detached middle housing (smaller SFD)



# Challenges

- Learning all the nuances
- Timing of Middle Housing land divisions, infrastructure, and building permits



Photos: 2-unit Townhome in Frog Pond & 6-plex in Old Town (technically not Middle Housing)

# Is it achieving the goals?

- Allow detached MH
- Generous MH Land Divisions
- Smaller, more dwelling units



# Is it achieving the goals?

- Not affordable
- Limited interest from Developers
- Market perceptions
- Fixed costs



Figure 14. Actual Rent v. Affordable Rent



Figure 11. Affordable and Actual Median Home Price

# What else can we do?

- Removing minimum lot size in new growth areas
- Min % of units of middle housing, small units, and mobility-friendly
- Max % net area for a unit type
- Make condos easier for developers



Photoss: Duplex in Old Town and 2-unit Townhome in Frog Pond West

[oregonmetro.gov](http://oregonmetro.gov)





Metro

# **Urban growth management update: Regional forecast**

**Metro Technical Advisory Committee  
February 21, 2024**

# Urban growth management - why?

- Protect farms and forests
- Focus investment in existing communities
- Encourage a greater variety of housing choices
- Reduce carbon emissions by keeping destinations close



## Technical work and analysis: Developing the urban growth report

- Buildable land inventory (BLI)
- Regional forecast
- Capacity analysis
- Employment trends and site characteristics
- Housing needs analysis
- Residential readiness analyses
- Draft urban growth report (UGR)

## City expansion proposals

- Letters of interest
- Expansion proposals

*2040 planning and development grants available*

## Metro Council decision

- Consider Metro staff and advisory group recommendations
- Public hearings
- Policy direction
- Final decision



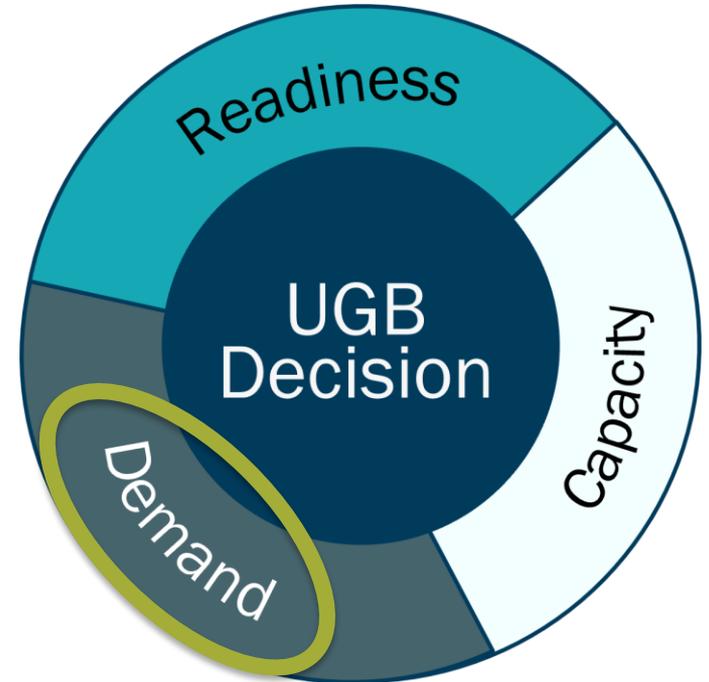
## Engagement

- MTAC
- MPAC
- CORE
- Land Use Technical Advisory Group
- Jurisdictional outreach
- Urban growth report roundtable
- Youth cohort
- Interest group presentations

# Project timeline

# Urban growth report

How does the regional forecast fit into the urban growth report assessment?

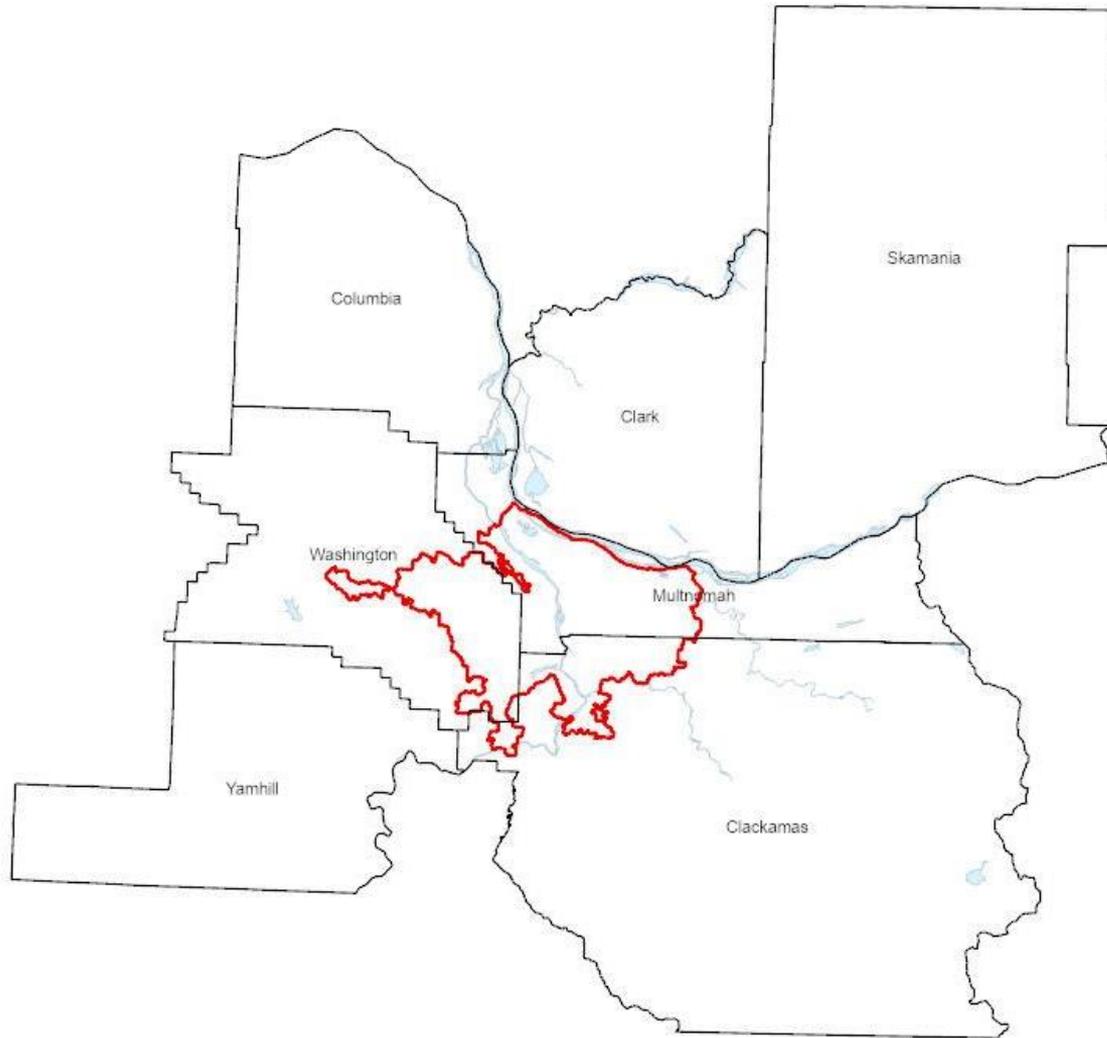


# Context setting

- This is a forecast, not a plan
- The forecast is updated every 6 years
- Multiple peer review moments
- Projections are not the only factor in the UGM decision; we will return to discuss readiness and capacity

# The forecast is a range – why?

- Acknowledgement of uncertainty
  - Population migration rates, including climate-induced migration
  - Macroeconomic conditions
  - Global events
  - Innovations that can't be forecasted, but that impact employment (e.g., potential impacts of AI on different sectors)

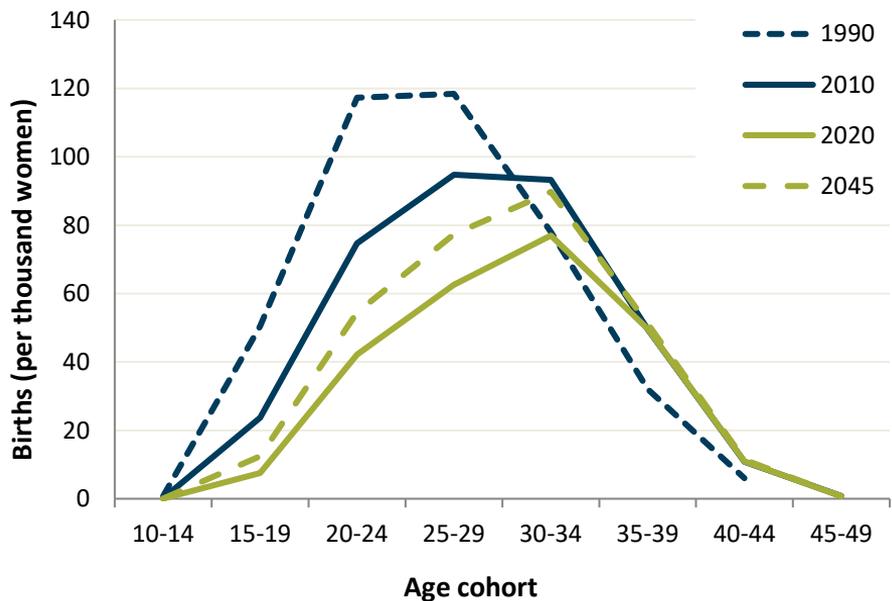


**Regional  
forecast  
geography**

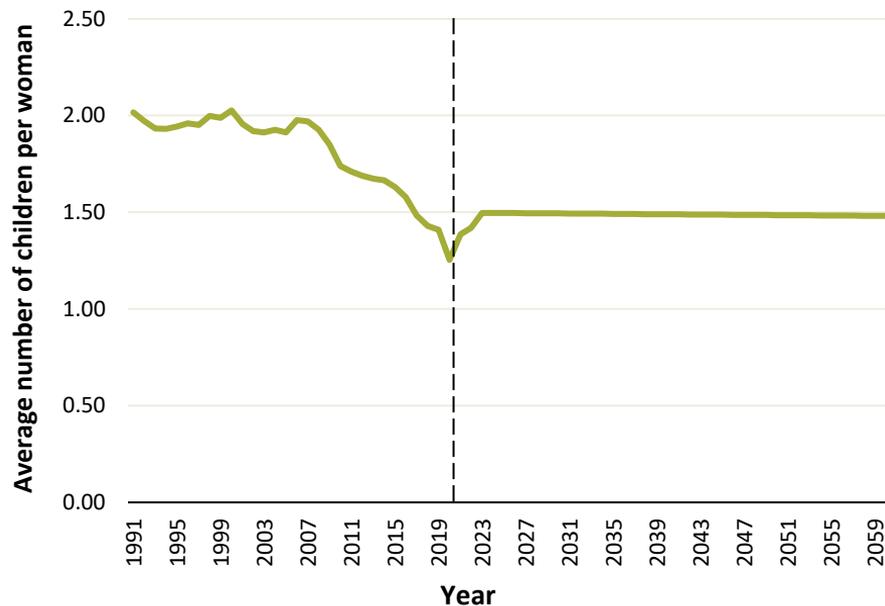
# Demographics

# MSA fertility assumptions

## MSA Age-specific birth rate per 1,000 women

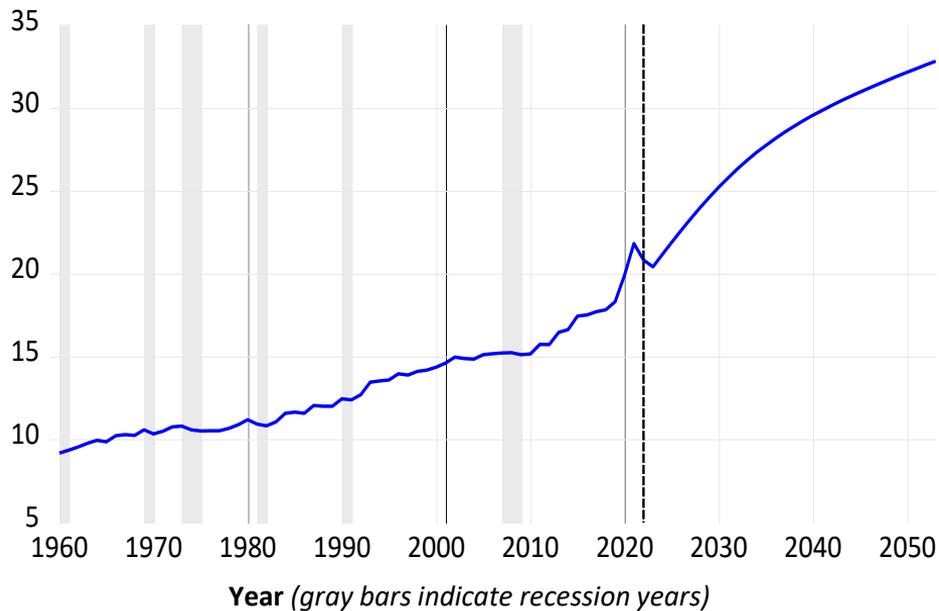


## MSA total fertility rate

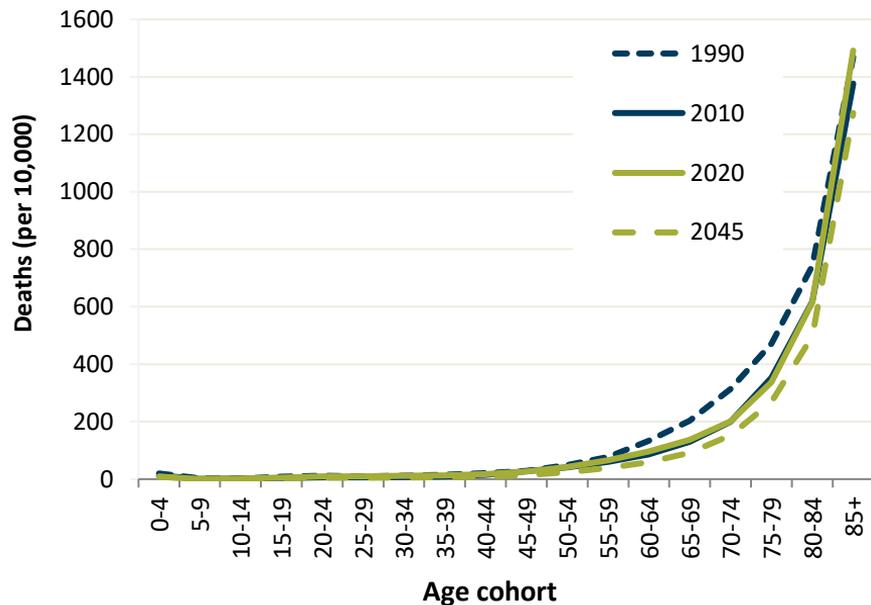


# MSA mortality assumptions

## MSA deaths (in thousands)

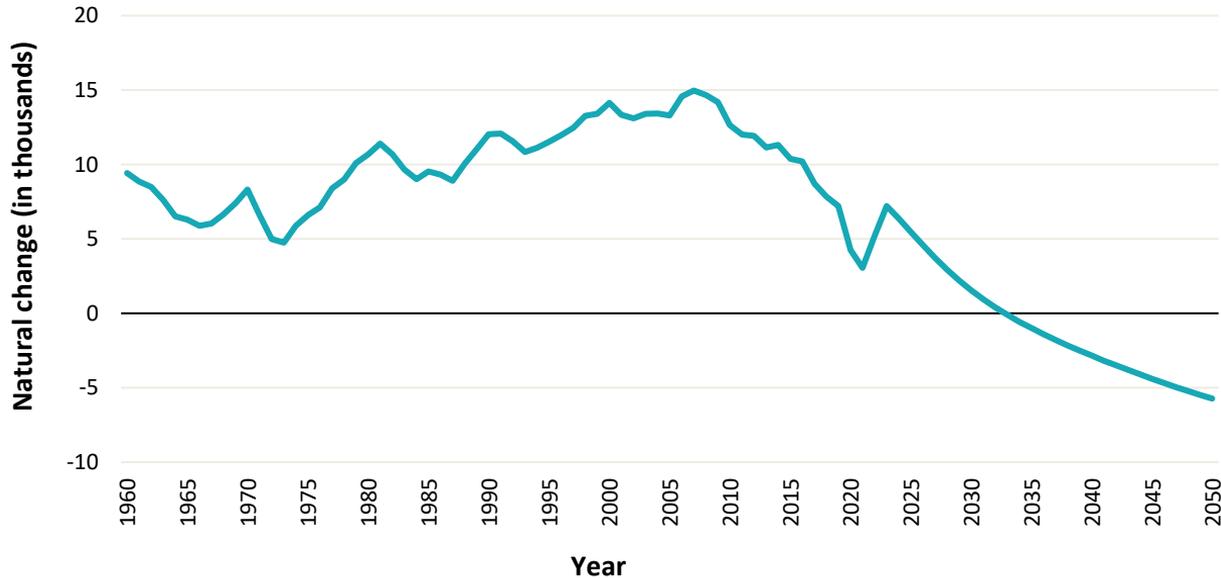


## MSA Age-specific death rate per 10,000



# Natural change

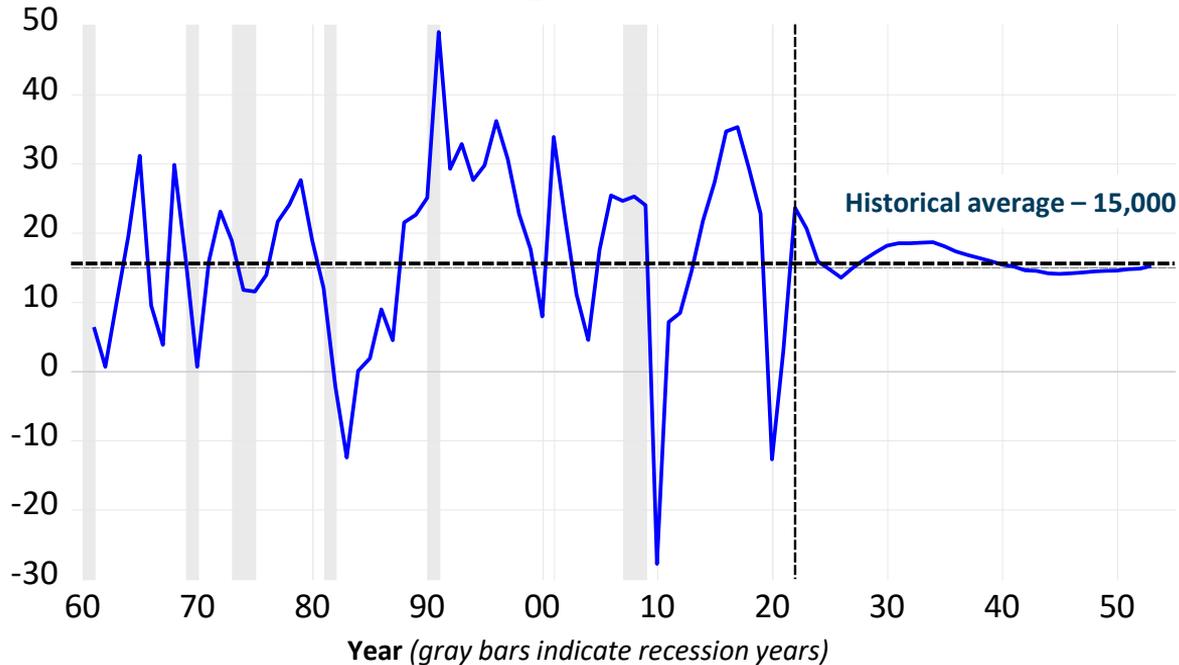
Natural change (births minus deaths)



- Declining birth rates are the biggest factor that make this forecast different than past forecasts
- National trend

# Net migration

MSA Net Migration (in thousands)

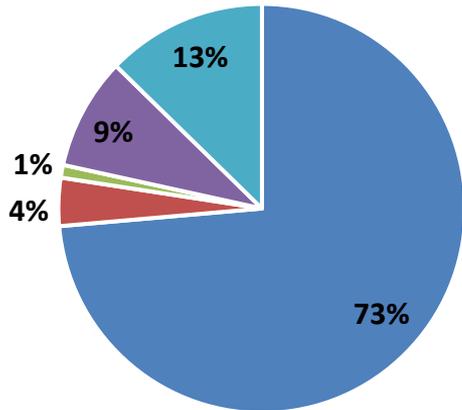


- Expect quality of life to continue attracting migrants
- Affordability and cost of living
- Climate refugees?

# Increasing diversity

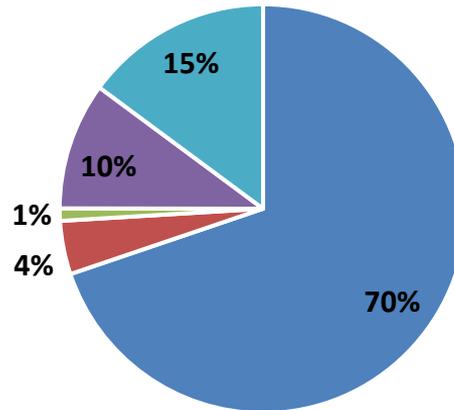
**2020**

Total population – 2,517,378



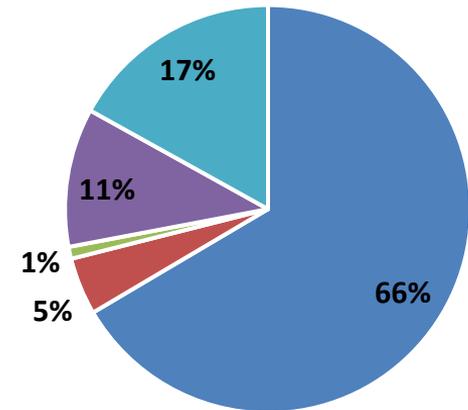
**2030**

Total forecast population – 2,700,038



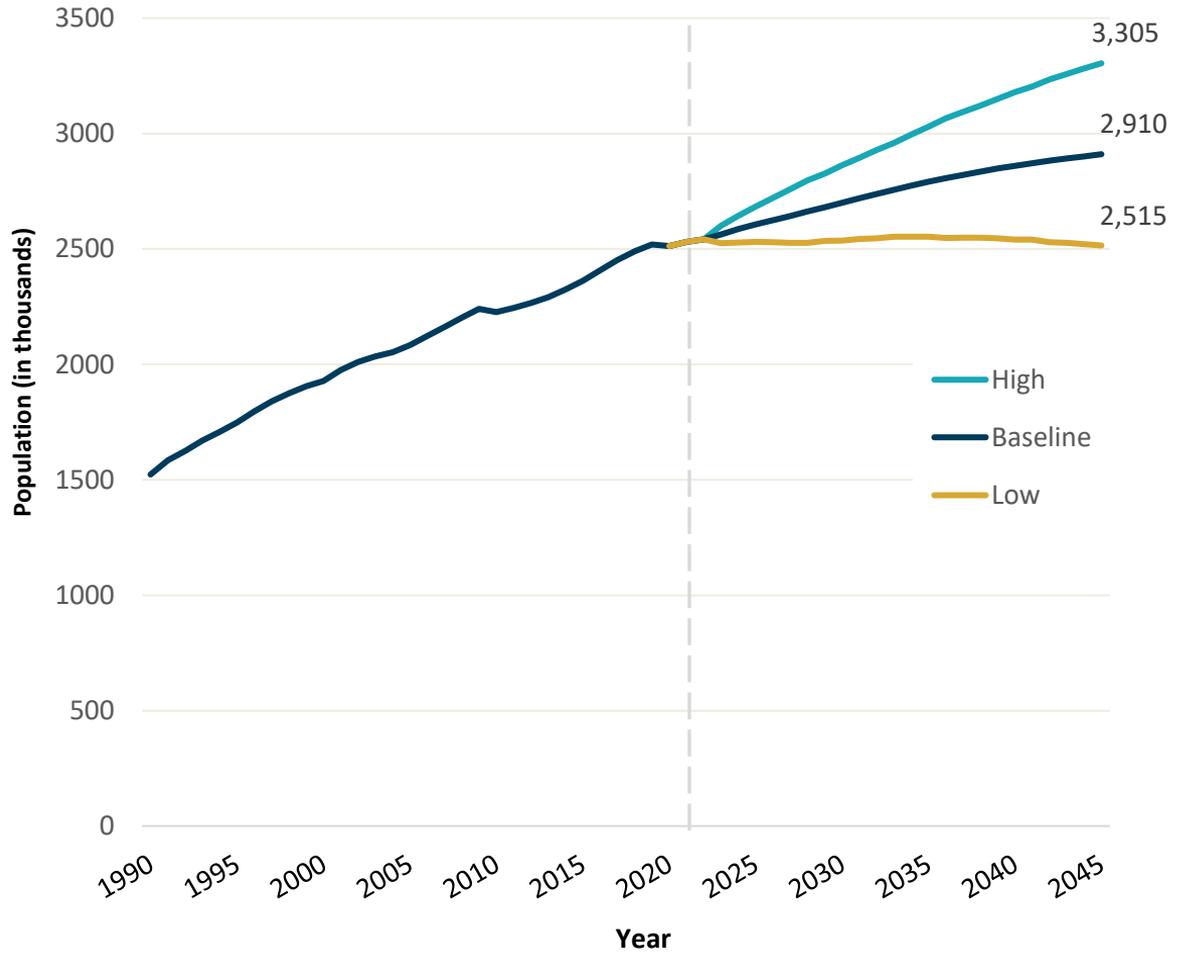
**2040**

Total forecast population – 2,860,301



■ White ■ Black ■ AIAN ■ API ■ Hispanic

# MSA Population (in thousands)

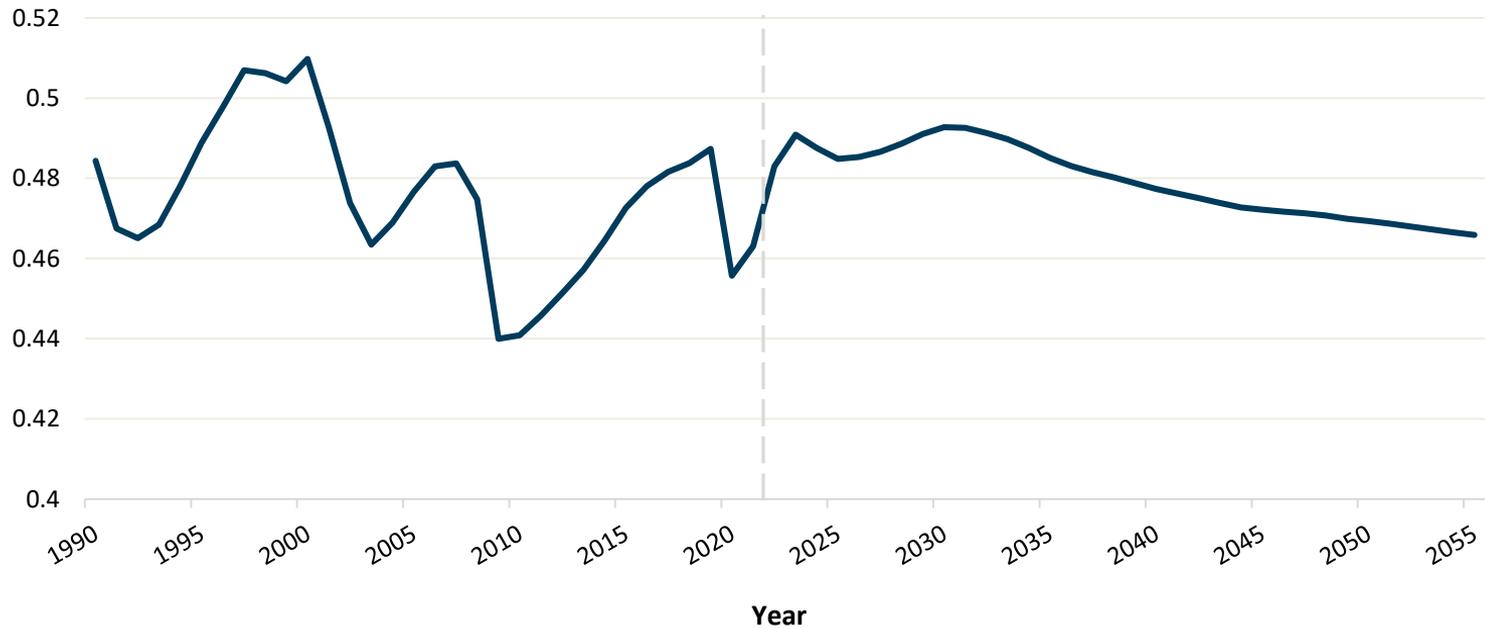


**Regional  
demographic  
outlook**

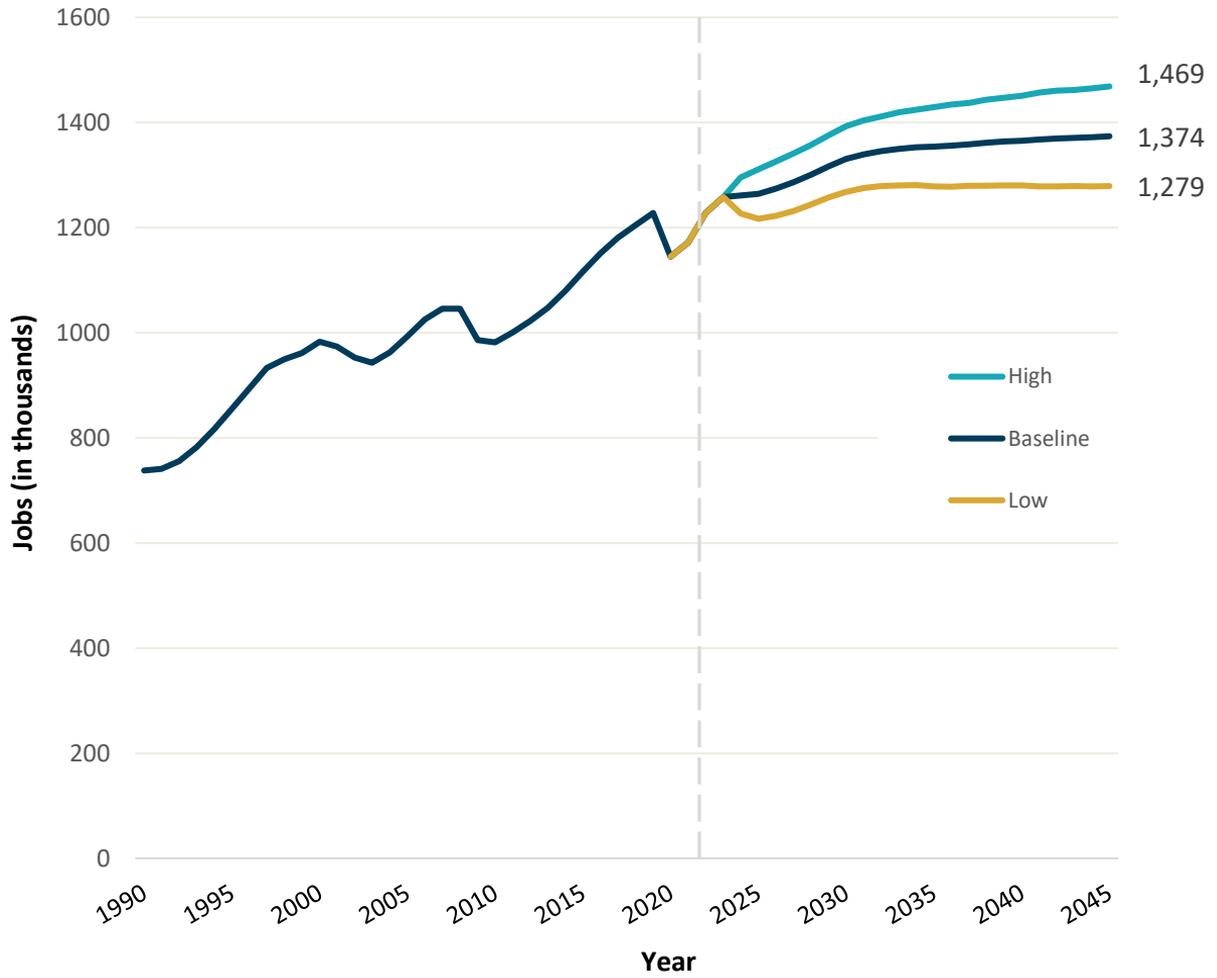
**Employment**

# Labor force participation

## Employment-Population ratio

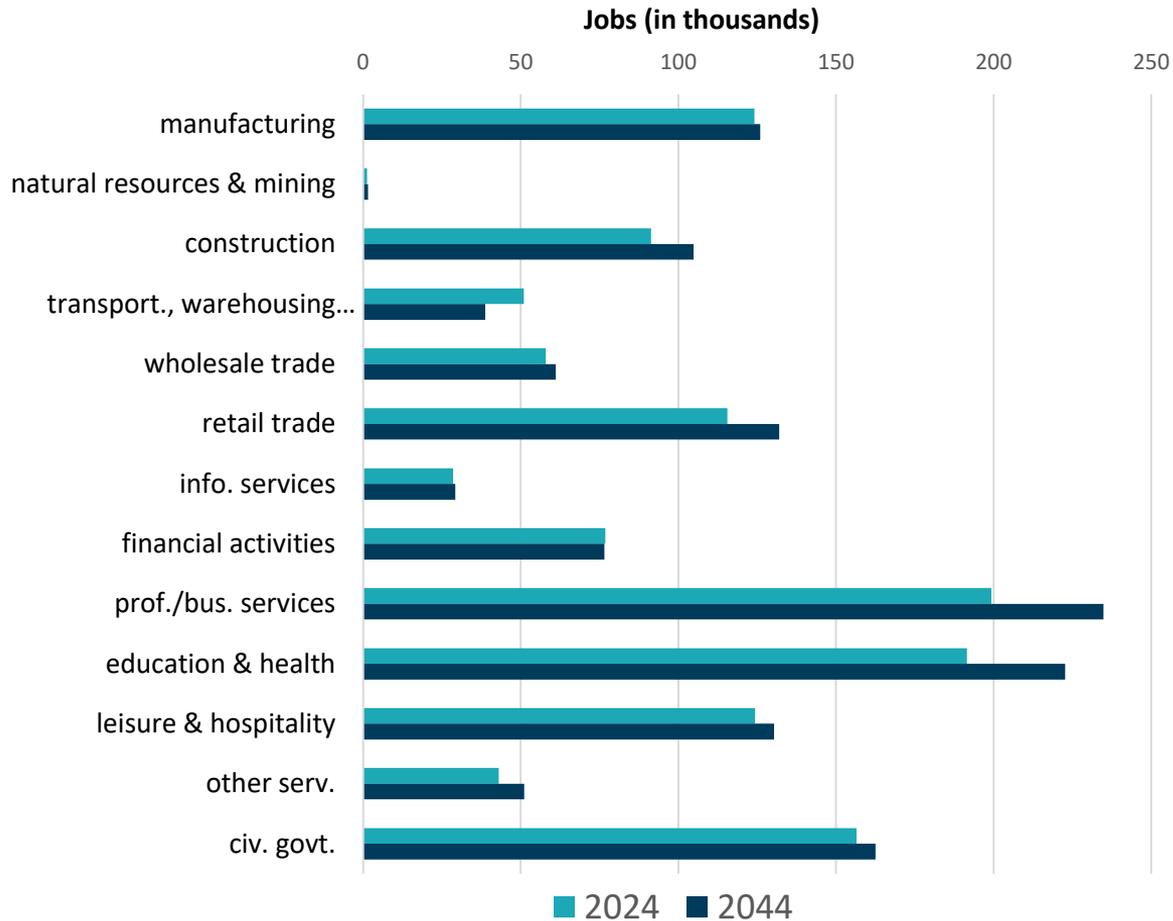


# MSA payroll employment, total



**MSA  
employment  
outlook**

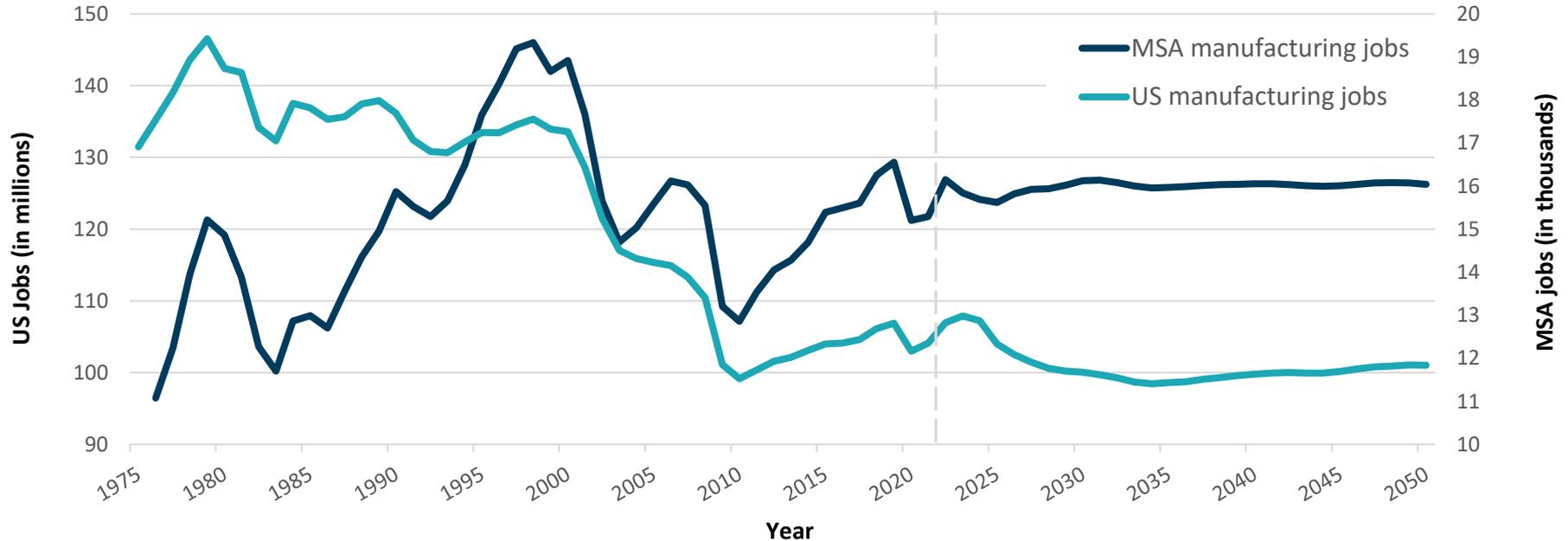
# MSA Nonfarm payroll employment by sector



**Sector-  
specific  
forecast**

# A closer look at manufacturing

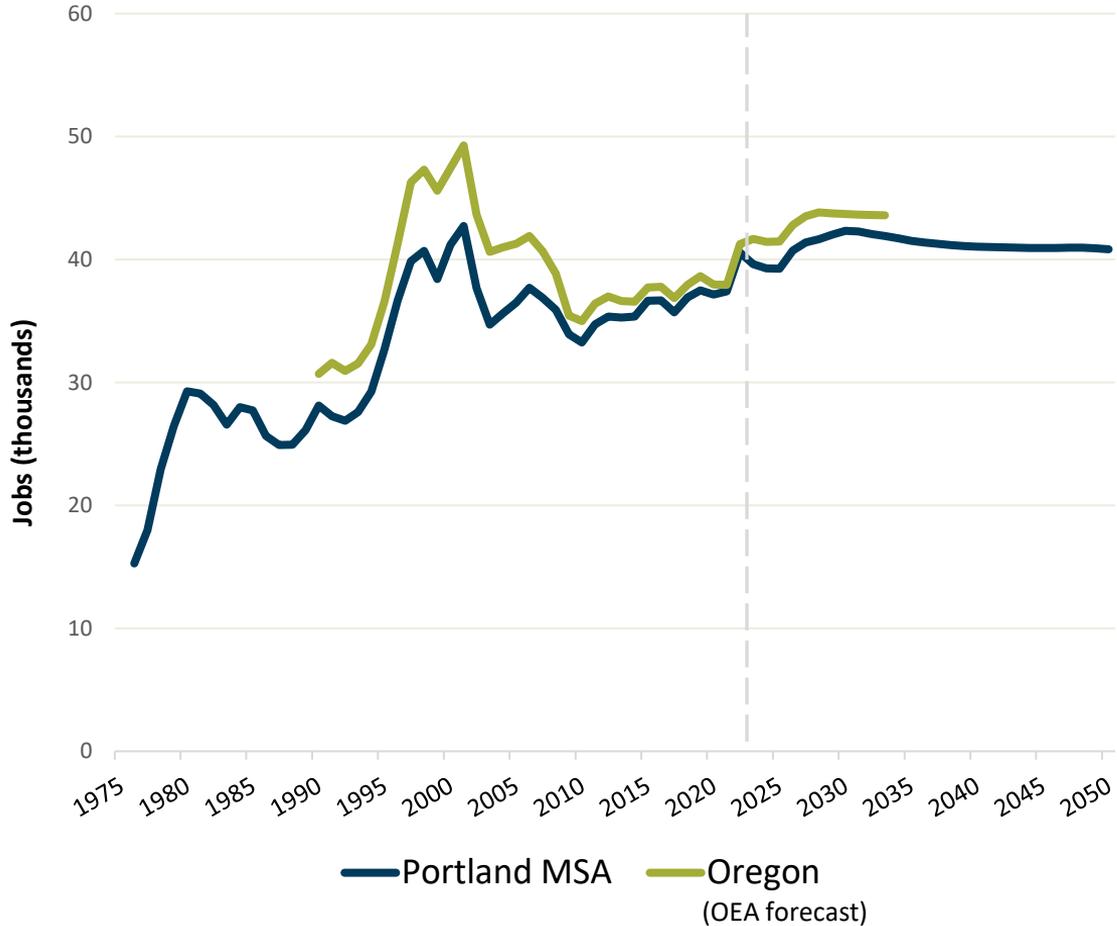
## Manufacturing employment (US vs MSA)



[oregonmetro.gov](http://oregonmetro.gov)



# Computer and electronics manufacturing



**A closer look  
at computer  
and electronic  
products**