

# Agenda



**Metro**

600 NE Grand Ave.  
Portland, OR 97232-2736

Meeting: Metro Technical Advisory Committee (MTAC)  
Date: Wednesday, August 28, 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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**9:00 a.m. Call meeting to order, Declaration of Quorum and Introductions** Chair Kehe

**9:10 a.m. Comments from the Chair and Committee Members**

- UGB Decision Schedule (Chair Kehe)
- Updates from committee members around the Region (all)

**Public communications on agenda items**

**Consideration of MTAC minutes, July 17, 2024** Chair Kehe

**9:25 a.m. Urban Growth Management Decision: Metro Chief Operating Officer recommendation** Ted Reid, Metro

Purpose: To share and explain the urban growth boundary recommendation from Metro’s Chief Operating Officer and initiate discussion prior to MTAC forms a technical recommendation for MPAC in September.

*Packet materials for this agenda item on the August 28 meeting will be later than usual. This is because we intend to provide the Metro Chief Operating Officer (COO) recommendations for the 2024 urban growth management decision. However, those recommendations are not yet completed because the public comment period on the draft 2024 Urban Growth Report does not conclude until August 22. **We intend to release the COO recommendations on Monday, August 26 and will email it to you then.***

**11:00 a.m. Adjournment** Chair Kehe

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

**As of 8/20/2024**

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

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

	<p><b>MTAC meeting, August 28, 2024</b></p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> <li>• UGB Decision Schedule (Chair Kehe)</li> <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 Management Decision: Metro Chief Operating Officer recommendation (Ted Reid, Metro, 90 minutes)</li> </ul>
<p><b>MTAC meeting, September 18, 2024 hybrid meeting; in-person, MRC Council Chamber &amp; online via Zoom</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>• <b>Urban Growth Management Decision: MTAC Recommendations to MPAC <u>Action Item</u></b> (Ted Reid, Metro) FULL MEETING (3 hours)</li> </ul>	<p><b>MTAC meeting, October 16, 2024</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>• <b>Proposed Amendment to Urban Growth Management Functional Plan (UGMFP) Title 4 Map for Montgomery Park Ordinance 24-XXXX Recommendation to MPAC <u>Action item</u></b> (Glen Hamburg; 40 min)</li> <li>• EPA Climate Pollution Reduction Grant (Eliot Rose, 20-30 min)</li> <li>• Community Connector Transit Study Introduction (Ally Holmqvist, Metro; 30 min)</li> <li>• Regional Housing Coordination Strategy: Work Plan (Ted Reid, Metro; 40 min)</li> </ul>
<p><b>MTAC meeting, November 20, 2024</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>• 2040 Vision Update Process (Jess Zdeb, 45 min)</li> <li>• 2023 Regional Transportation Plan Implementation and Local TSP Support Update (Kim Ellis and André Lightsey-Walker, Metro, 45 min.)</li> </ul>	<p><b>MTAC meeting, December 18, 2024 hybrid meeting; in-person, MRC Council Chamber &amp; online via Zoom</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 Management Decision: Follow up on process (Ted Reid, Metro)</li> <li>• Safe Streets for All update (Lake McTighe, 45 min)</li> </ul>

**Parking Lot/Bike Rack: Future Topics**

- 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

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.



# Meeting minutes

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

Date/time: Wednesday, July 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  
Joseph Edge  
Carol Chesarek  
Victor Saldanha  
Tom Armstrong  
Erik Olson  
Aquilla Hurd-Ravich  
Anna Slatinsky  
Laura Terway  
Steve Koper  
Katherine Kelly  
Jamie Stasny  
Jessica Pelz  
Manuel Contreras, Jr.  
Gery Keck  
Natasha Garcia  
Nina Carlson  
Tom Bouillion  
Bret Marchant  
Nora Apter  
Preston Korst  
Brian Moore  
Erik Cole  
Mike O'Brien

## **Affiliate**

Metro  
Clackamas County Community Member  
Multnomah County Community Member  
Washington County Community Member  
Largest City in the Region: Portland  
Largest City in Clackamas County: Lake Oswego  
Second Largest City in Clackamas County: Oregon City  
Second Largest City in Washington County: Beaverton  
Clackamas County: Other Cities, City of Happy Valley  
Washington County: Other Cities, City of Tualatin  
City of Vancouver  
Clackamas County  
Washington County  
Clackamas Water Environmental Services  
Tualatin Hills Park & Recreation District  
Portland Public Schools  
NW Natural  
Port of Portland  
Greater Portland, Inc.  
Oregon Environmental Council  
Home Builders Association of Metropolitan Portland  
Prosper Portland  
Schnitzer Properties, Inc.  
Mayer/Reed, Inc.

## **Alternate Members Attending**

Kamran Mesbah  
Vee Paykar  
Faun Hosey  
Mary Phillips  
Ashley Miller  
Dan Rutzick  
Dakota Meyer  
Martha Fritzie  
Kevin Cook  
Theresa Cherniak  
Glen Bolen  
Kelly Reid  
Fiona Lyon

## **Affiliate**

Clackamas County Community Member  
Multnomah County Community Member  
Washington County Community Member  
City of Gresham  
City of Gresham  
City of Hillsboro  
City of Troutdale  
Clackamas County  
Multnomah County  
Washington County  
Oregon Department of Transportation  
Oregon Department of Land Conservation & Dev.  
TriMet

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Jerry Johnson  
Max Nonnamaker  
Ryan Ames  
Leah Fisher

Johnson Economics, LLC  
Public Health & Urban Forum, Multnomah County  
Public Health & Urban Forum, Washington County  
Public Health & Urban Forum, Clackamas County

**Guests Attending**

Adam Torres  
Bruce Coleman  
Eric Rutledge  
Harrison Husting  
Jan Tysoe  
Kevin Young  
Marc Farrar  
Randall Olsen

**Affiliate**

Clackamas County  
City of Sherwood  
City of Sherwood  
Clark County  
City of King City  
OR Department of Land Conservation & Development  
Metropolitan Land Group, LLC  
City of King City

**Metro Staff Attending**

Cindy Pederson, Eliot Rose, Eryn Kehe, Laura Combs, Marie Miller, Ted Reid, Thaya Patton

**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.

**Comments from the Chair and Committee Members**

Chair Kehe noted the August MTAC meeting has been moved one week later to August 28. Packet materials may be sent close to this meeting date, but hopefully in time for reading and preparation.

The MTAC September 18 meeting will be in-person with online option via Zoom. The meeting will be held in Metro Council Chambers starting at 9:00 a.m. There will be a vote taken at this meeting on the Urban Growth Management Decision with recommendation to MPAC.

Kelly Reid, Oregon Department of Land Conservation & Development, announced DLCD is hosting a regional conversation for Metro jurisdictions for OHNA rulemaking August 13th from 1-3PM. Email [housing.dlcd@dlcd.oregon.gov](mailto:housing.dlcd@dlcd.oregon.gov) if you want to attend but do not receive a zoom invite in the next few days. Two links were shared regarding First Rule Draft: Summary memo:

[https://www.oregon.gov/lcd/Housing/Documents/20240710\\_DLCD\\_First\\_Rule\\_Draft\\_Memo.pdf](https://www.oregon.gov/lcd/Housing/Documents/20240710_DLCD_First_Rule_Draft_Memo.pdf)

Draft rules:

[https://www.oregon.gov/lcd/Housing/Documents/20240717\\_DLCD\\_First\\_Rule\\_Draft\\_Matrix.pdf](https://www.oregon.gov/lcd/Housing/Documents/20240717_DLCD_First_Rule_Draft_Matrix.pdf)

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

**Consideration of MTAC minutes June 26, 2024 meeting**

Chair Kehe moved to accept as written minutes from MTAC June 26, 2024 meeting.

**ACTION: Motion passed unanimously with three abstentions: Dan Rutzick, Brian Moore, Kevin Cook**

**EPA Climate Pollution Reduction Grant** (Eliot Rose, Metro) The presentation began with a description of the EPA Climate Pollution Reduction planning grants which are 4-year planning grants to create state and metropolitan area climate plans that focus on reducing greenhouse gases (GHGs), implementation-



ready actions, and alignment with federal and state climate funding sources. Metro is leading a grant for the 7-county Portland-Vancouver metropolitan statistical area. There are two rounds of planning, possibly two rounds of funding, with details provided. In addition to the Portland-Vancouver area, the states of Oregon and Washington have received planning grants. Metro coordinates with both states so that the resulting plans reflect state, regional, and local agency roles and responsibilities. The Climate Partners Forum has been the Steering Committee with this effort. They are interested in having other agency and non-agency partners for this next phase of the grant. Their next meeting is July 23. For more information on attending, you are encouraged to contact Mr. Rose.

The importance of the Climate Pollution Reduction grants was described with the implementation opportunities associated with them. The list of submitted CPRG implementation grant applications was shared. EPA plans to announce awards this summer. They received 10 times as many requests as they can fund. The Draft CCAP development timeline was given. We will continue to develop this timeline based on the input we hear at the next Climate Partners' Forum meeting on July 23 from 1:00-2:30 PM.

Comments from the committee:

Dan Rutzick noted seeing \$33 million allocated for transit to improve fuel efficiency. Washington was asking for Electrification Vehicles. Can you talk a little about how the decision was made to either purchase more EV for transit versus go for cleaner fuels and other upgrades. Mr. Rose noted we went through a screening process to select projects last time that was really driven by those implementation grants that EPA had posted. They released the notice of funding opportunity for those implementation grants. So they basically turned the planning process last time around into a pre-application process for those grants.

As we were doing that a lot of the factors that we considered were noted in the grant criteria, that a project already had to be reasonably detailed in its development. It had to be scalable to the region to look good through the lens of greenhouse gas reductions that EPA asked us to use in the application process. It also had to be a capital project because these were limited term grants that aren't going to fund ongoing operations and maintenance. Those were some of the factors that lead us to those transit projects, such as efficient one-time capital upgrades of equipment, which is much easier to fund through a grant than increasing service, which involves ongoing operating costs. The amount of planning work that TriMet and Metro have done to develop a transit signal priority plan for the region as well as preexisting work on trying to get to an EV fleet really positioned us to pursue those.

Mr. Rutzick noted curious if it sounds like down the road there could be, if there's grant funds available, acquisition of more electric fleet or electric bus fleet and other improvements that may be on the table. Mr. Rose noted there were two applications submitted. One was for electric bus fleet, it complimented some of the awards at TriMet because TriMet is trying to go 100% electric. They've applied to other programs, too. There are lots of EV applications but we did have an application for electric buses through the implementation grants. I believe there was \$20 odd million for the electric buses and around \$10 million for transit signal priority.

Nina Carlson asked when you speak about energy efficiency for housing what does that really mean? Mr. Rose noted as far as the applications that went in, we really focused on envelope upgrades primarily. Things you could do to a building to envelope windows to make a building retain more energy rather than losing heat, losing cool through the windows. We also included particularly in the retrofits for existing housing was general funding for maintenance that supports energy efficiency. Because what we found when talking with Energy Trust is they have specific money to install heat

pumps and other energy efficient equipment in people's houses. The state was going to continue to fund those programs. So we decided not to focus on heat pumps and HVAC equipment because that's already being funded and applied for. But what we learned is that those improvements often require structural changes to a home just to be able to carve out the space or the support for a heat pump and that couldn't be funded through the current monies. So we put in supplemental funding to enable those other HVAC improvements to proceed.

Mr. Rose showed a chart in the presentation titled CCAP vs. PCAP: Key Differences. Glen Bolen asked if the greenhouse gas targets listed are different than what we already have at the regional level? Or the state level? Mr. Rose noted it is different in so far as EPA is asking us to produce a multi-sector target. Right now we only have a state target. We have state multi-sector targets for Oregon and for Washington and they're a little different. So I think rather than trying to have a policy conversation about what target we go for when we have a Bi-State Metro area that makes that kind of coordination a little tough, I've asked the consultant team to at least start by recommending advisory targets that helps us understand as a region if the Washington side met Washington targets and the Oregon side met Oregon targets what would that mean for our emissions? I don't think we'll be asking people to adopt no targets so much as trying to provide more information about what it would mean for our Metro area to meet those different state level targets across all sectors.

**Draft Urban Growth Report (UGR)** (Ted Reid, Metro) Chair Kehe announced that the Draft Urban Growth Report was published last week. We're here today to give you an update on that report. The project timeline was provided. A review of the community and committee engagements were given. Housing results from the report were given with demand scenarios and housing types.

Ted Reid provided information from the report on employment land. A review was given on the factors on converting jobs to acres. The report summarized category results for industrial and commercial land. The land gap analysis for each were given for low growth forecast, baseline growth forecast, and high growth forecast. Large site industrial needs were shown on a map. The Statewide Semiconductor Taskforce highlights were given. The Sherwood West employment land analysis was given.

Metro Council will consider two policy options:

1. No expansion. Sufficient capacity inside the UGB. Conclude that there is adequate capacity inside the UGB for housing and jobs
2. Expansion. Insufficient capacity inside the UGB. Expand the UGB to add the Sherwood West urban reserve area as proposed by the City of Sherwood

Consider conditions of approval:

- to help achieve a certain housing mix or number of housing units
- to preserve employment land with unique site characteristics for industrial and flex uses that cannot be found elsewhere in the UGB

Comments from the committee:

Jerry Johnson had a question about the work from home. Can you provide more detail on how the work from home hybrid issue was addressed. Mr. Reid noted basically we looked at the current rates of work from home, what they've been over the last several years, where they seem to be settling post pandemic, sector by sector. As well as looking at work from home we looked at hybrid work and came up with essentially some assumptions that affect demand for office space specifically. So not every sector but office demand.

Mr. Johnson noted trying to see if information is available on Metro's website. We'd like to prepare some input in the public comment period. It's easier to respond if we have more detail about the technical approach being used throughout this. Mr. Reid provided a link to the Urban Growth Report: <https://www.oregonmetro.gov/public-projects/2024-growth-management-decision> In addition the link to the relevant appendix that describes this employment demand analysis was provided: <https://www.oregonmetro.gov/sites/default/files/2024/07/09/2024-UGR-Appendix-3-Employment-land-demand.pdf>

Nina Carlson noted with the economic development lens it would be interesting to see what that number of acres available would be if you took out tier three and took out anything under five acres. Because in economic development if you don't have at least five acres and you're not at least tier two you are not even in the ball game. We might as well not count that. I appreciate the work you have done and the thoughtfulness on the Sherwood expansion. But that area has absolutely no transit and that's a concern for considering an area for huge industrial use when we don't have sidewalks, maybe one bus line two miles away. I am concerned when you talk about the Portland Business Alliance when looking at them for your economic resource. Portland doesn't technically have a lot of vacant land. It is typically in Clackamas and Washington Counties who have the large industrial parcels that need some help to be developed. It's concerning that your key business organization wasn't in one of those counties.

Mr. Reid noted I believe you heard me referencing the regional industrial site readiness work where over the years PBA has been a partner on that work, along with the Port of Portland and others. We've been reaching out to a variety of interest business groups over the course of this work. You were mentioning we shouldn't count certain sites that are too small or not development ready. I appreciate the comment. It's important in terms of how we think about more immediate economic development opportunities. However, for the purpose of growth management we're looking out 20 years at our long-term land supply. This is something that we need to do. We need to count these sites with the knowledge that they require additional action and investment to make them development ready. Fundamentally this is about our land supply and whether we have enough of it. Regarding transit or lack of that's the case with many areas currently in the urban growth boundary. Certainly with any potential expansion area they will require investment to support population employment growth.

Carol Chesarek noted looking at table 11 on page 34 of the report. It's basically existing housing needs. I'm assuming that these are three different categories of numbers but if you added them up and we could have a magic wand today and create these units when everybody in the region that needed a house could have one. I'm assuming that's what it is. I have some follow up questions. I couldn't figure out where these numbers were used in the following analysis in the report. I was also curious about whether these were much higher numbers than we've had historically. I don't know that we've looked at the homelessness housing need before. So if it may be new but it would be interesting to know. How are we making any progress relative to five years ago? How do these number compare to the governors? Do we need that many estimates?

Chair Kehe noted this is a new state requirement. This is the first urban growth management decision where we are required to count current housing needs. That includes under production and an estimation of housing needs for those who are houseless currently. This first reason why different from the governor's numbers is that they're more recently taken, and we point in time taken for this year. Mr. Reid noted you were asking where in the analysis those number go from table 11. In subsequent table 14, for instance, in the Urban Growth Report Summary the reference to future needs as well as



those existing needs. That's where those existing needs pop up again, in the calculation of overall housing needs. As noted, this is a new requirement that was added to the statute in 2019. This is our first time looking at not only future needs but existing. Yes, this is both the historic backlog of under production as well as housing for people experiencing houselessness. We are using similar methods to what the state has been using and the same consultant team. Their work is still in progress. The governor's goal is based on some older numbers so we think ours is more updated, generally consistent with the work the state is doing.

Michael O'Brien noted we've talked before about urban growth expansion and the potential for swapping out less useable and within the UGB. I'm wondering if that is considered expansion, or it that can be labeled under just trades and how you would approach that. If making an expansion to get all the housing we need, how close are we in terms of understandable need in the 20-year window versus the capacity of the urban growth boundary currently. Is it close? Is it far away?

Chair Kehe noted we've used the trade once in the past. It's a new process and it can be done outside of this six-year cycle. That's one of the things that make it special. I think you could use a trade in this six-year cycle, but one of the unique things about the cycle and what we have to do every six years is a complete analysis of demand and capacity and look at whether the existing UGB has the capacity to accommodate the growth we anticipate for the future. A swap doesn't require that. A swap can simply be done having an equal amount of land that comes out of the growth boundary and comes in. It's more flexible and makes sense to occur outside of this process where we're doing all the analysis to figure it out.

Mr. O'Brien noted my concern would be that we decide to expand the urban growth boundary without taking out stuff that's unusable and replacing it with usable land. Chair Kehe noted that's not a standard part of the process. It wasn't set up that way by the state originally. But we found a way to create an option for that going forward that we can use. If you saw the final slide, the date, depending on how you look at those scenarios in terms of industrial and commercial growth, or how you look at the appraisal of housing needs and what the housing needs of the future population will be, you can find either a need to expand the growth boundary or not. That is where the public discussion will occur and MPAC will make a recommendation to the Council and the Council will decide what they think the right data and information the right decision is.

Jessica Pelz noted you were talking about the baseline forecast as the most typical and likely. But we've been hearing from some of the mayors on the west side and our commission's discussion that maybe our policy direction should be trying to go for the high growth rates in both to guide more investment opportunity, land decisions, policy around growth, and maybe making some more opportunity available as a way to balance that and bring in more growth. That is something we've been hearing on our end. Is that a policy direction that staff is looking into and could potentially recommend to Metro Council? That will be in the letter from our Board of Commissioners they approved yesterday. My other question is about how this relates to the Oregon Housing needs analysis and that the forecast chosen by Metro Council will be informing the housing, what is the target number of housing needs and the allocations that everyone will be required to meet in the Metro area.

Mr. Reid noted this will be Metro Council's prerogative based on advice they get from the Metro Policy Advisory Committee and where they land from all of this work, whether they want to plan for higher growth. I think top of mind for them will be adopting our higher forecast doesn't make that happen. I think they will probably think about what actions would be required to achieve higher employment

growth, aside from adopting a higher number in the Oregon Housing Needs analysis work. The way that law lines things up is basically that as the state is setting housing targets for cities and counties and setting housing need allocations for cities and counties, they refer to Metro's adopted regional forecast. That will be the upshot of this, that what gets adopted by the Metro Council will be a reference point for the state. They're not bound to use it, particularly as we move into year 1,2,3,4 or 5 out from now, and the state is going to be setting those targets every year. They're going to need to consider additional information but it is a basis for what they use.

Tom Armstrong wanted to pick up on some of the other points that have been made. I agree we need more information about table 11 and the historic underproduction. In the appendices there's lots of good information about the methodology, but there aren't data tables to show each of those steps. We tried to reproduce that and couldn't come up with the 15,000 number and think you may be missing the substandard housing step in all of that. I think there's more data. It's similar to Mr. Johnson's comment on the employment side. Nowhere in here do I find how many jobs we're planning for inside the UGB. There's discussion of the MSA employment forecast and some sector breakdowns, then all of a sudden, we're talking about acres, so we're missing some data steps to show the work.

Regarding Ms. Pelz's comments, is it the high growth or low growth? I think it's a real mistake you're framing this question, do we or don't we expand the UGB. Mr. Reid just touched on all of these assumptions and everything that goes into the growth forecast that has implications for other planning processes. We're setting up future work. It goes into the transportation model. It goes into all of these other processes and the economic development planning. I think there needs to be a little more time in talking about what are we planning for. There's good information about the mix of housing. There's no equity analysis, no equity analysis tied to the Sherwood West plan about who it's going to serve and how they are going to house the people that will work in the hospitality industry. I think the same could be said on the employment forecast. I know that employment forecast breaks out by sector. Whos' that likely to serve? Issues like that make it too narrow in only talking about do we or don't we need to expand the UGB because these decisions have implications in other policy forums that Metro is responsible for.

Chair Kehe thanked Mr. Armstrong for his suggestions about additional work that could stem from this UGR. Its ultimate purpose is the decision about the urban growth boundary. You've brought up some good points about what additional work could happen in the future.

Dan Rutzick agreed that obviously Sherwood West being the sole UGB expansion request, which is important, but local governments rely on these forecasts for so many other things. I looked to the appendix for data and wasn't seeing it. I think what would be helpful in just some of the conversations I've heard lately is when there's available 6,000 acres of industrial land, how many of that are greater than five acres or less. Five to 10, 10 to 25. I appreciate Metro calling out the large lot industrial which I believe is 25 acres and larger. It's helpful to understand how many medium sized parcels between the five acres and 25 are out there. I look forward to the final draft version of the UGR where more data brought to bear. A question I had regarding the deficit of land for commercial, is that a trend that's ever showed up with a low baseline or high forecast in the past?

Mr. Reid noted not recalling us coming to that conclusion in the past. I think it's partially a result of starting out with a small number of acres of commercial land is our capacity. Just under 500 acres you'll recall, and despite a slow down in population growth and related to that job growth, and despite

having high office vacancy rates and more work from home, if we look out 20 years this is where we end up with the numbers a slight deficit.

I do think that some of this needs a little more context. Some of this may be a product of how we've conducted the modeling for the capacity analysis. For instance, we have a number of mixed use, residential zones and in our modeling of redevelopment the proforma model essentially says what is going to win out. Is it going to be a residential development type or commercial? In many instances it was the residential that was winning out. We generated residential capacity out of that modeling and not commercial.

The other thing to keep in mind is if we truly did have this kind of deficit under the high growth forecast, we'd probably get more redevelopment. Some of this is just the consequence of modeling and needing to simplify a more complex economy to come to these numbers. The answer to the question on number of sites under five acres is in Appendix Six.

Jamie Stasny wanted to acknowledge all the hard work and efforts on this to be transparent. I also acknowledge the unique analysis that was done to look at the industrial land in Sherwood, and I echo some of the other comments that have been made from Washington County about the need to show your work a little bit more. As said before, this process is strictly driven by the legal obligations that Metro has. It doesn't always translate to market reality. Do we have the right land in the right places with the right characteristics and the right infrastructure to attract the businesses that we need? Do we have the right land that's usable for housing? I know that this process isn't designed to consider that in the same way, but I wonder if the update to the Metro 2040 plan that is coming will create an opportunity for us to talk about what our vision is for the future, and making sure there's not just enough land but we have the right land and we're being intentional about creating these opportunities and we're not being too restrictive.

I want to ask a specific question. We are curious about table nine in the UGR about capacity. It's on page 32 of the Urban Growth Report. We're curious where these numbers are coming from and how they might relate to the numbers in appendix two. We're also curious how they relate to the calculation in table 15. What capacity numbers are you using to calculate the capacity deficit slash surplus?

Chair Kehe responded to the first part. I'm glad you brought up this topic. We absolutely are constrained by what the legal requirements of this are. Everyone is right that whether land actually can be developed into something is different than whether land is vacant and zoned as something we all not know that to be true. But the state law asks us to look at land that's vacant and zoned for property, and it does not allow us to look at land that's vacant and zoned for property, and it does not allow us to look at costs or infrastructure allocations. There are a lot of limitations around this process, but that doesn't mean that this process and information provided show a lot of vacant industrial land in our region, zoned vacant industrial land. How do we support the economic needs of our region by putting our focus on supporting changes to either that, providing the kind of land that we need, putting investments into moving lands from one tier to another congregating lands. Once we dig into the 2040 regional vision, we have an opportunity to set a direction on this and do some more work in that area. Once we dig into the functional plan, we can talk about these and make changes as needed.

Ted Reid noted the table nine and the Urban Growth Report summary is a very simplified version of more information from that appendix two. It's lumped together a number of sources of information

from that appendix two. You'll recall from past presentations how we've talked about different sources of capacity, whether it's vacant land, redevelopment, land concept plan areas. You'll find a lot more detail in appendix two about how those sources of capacity breakout into different housing types. But then table nine is just sort of compiled with a lot of information which may be challenging to draw linkage there.

Ms. Stasny noted I think simple math would be helpful to show us the equation. People wading through all this are not able to recreate the numbers and the answers that you're getting. That would be helpful as we're trying to describe this and inform our elected officials who are wanting to understand how you're getting to those answers.

Nina Carlson noted it would be important to have general costs to remediate/improve a Tier 3 site to a higher level. As in, if costs are too high to do this, it will practically never be developed, as it won't pencil out. Costs have to be included for us to make informed decisions. I realize a lot of that stuff is site specific but just to have an honest conversation about this we need people to understand what that might look like. Because if something is just too expensive to remediate, plus the amount that commercial property and industrial property has increased it's not going to be developed because it will not pencil out. If something is not going to pencil out, we need to say these are tier three, but to bring them to tier two they're effectively non-usable in this market. I think cost details matter and context matter and cost is a bit context. I think that's maybe where we need to go back to the legislature or write some policy for some legislation that helps expand upon this that allows you some more flexibility to take things out or put things in based on the context.

Chair Kehe provided a link in the chat to some work Metro did a few years ago on the industrial site readiness project. <https://www.oregonmetro.gov/industrial-and-employment-land> Perhaps this could be referred to and maybe updated. To your point, I want to focus everyone on the work that Mr. Reid talked about in the very specific analysis done on the Sherwood site and how this analysis is being used to make a case for this expansion in Sherwood for industrial land based on the need for sites of a certain size. I think that's a place to dig into the URG and understand what the analysis is saying and how we're using this approach to support an expansion request.

Kevin Young noted I haven't reviewed the entire report, but I'm wondering if there's discussion of utilizing some of the underutilized office space in the region to meet commercial needs. That would likely be a lot cheaper to retrofit than conversion to residential uses. As I hear the need for commercial space I wonder if there's some consideration for repurposing maybe some of that office space for commercial uses, which is likely to be a bit more easily done than conversions to residential, which is another thing that people have been talking about. I recognize not all office space is necessarily attractive for commercial uses. However, I think there might be some opportunities there. Is that something that's been explored or something you might consider?

Mr. Reid noted we did handle the excess office space in a couple of ways. You mentioned conversions to residential and that's a conclusion that we came to as well with support from EcoNorthwest, that it is challenging to do that conversion to residential. You can find that analysis of office to residential conversion in appendix two attached to the Urban Growth Report. You were mentioning repurposing of commercial space or office space specifically. The way we looked at that was described as a flowchart, how we move from an employment forecast to demand for acres. One of the steps there is looking at our current excess office vacancy rates. Our assumption is that over time those vacant spaces will be absorbed by the market. That's a step that along with way that we take to deduct from future office

demands, recognizing that it's going to get repurposed by the market. Asked to clarify, you're saying that your assumption is that surplus office space will be absorbed over time in the future as future office space? Mr. Reid agreed. We work towards a healthier vacancy rate over the coming years. I think it's around 7% office vacancy rate over time that those vacant spaces get absorbed by the market.

Jerry Johnson noted that some of the industrial sites we work on Goal Nine with work around state. One of the more damaging issues in what we call phantom sites, which are sites that are on an inventory that are truly unsolvable. It'd be great if you could take them out of the Urban Growth Boundary because they'll never going to develop because of the cost factors to get those things done. But they still sit on the inventory and we're down to the last 10% of our inventory. Those represent a larger proportion than they do otherwise. I do have trouble reconciling the finding that we have a surplus of industrial land when I'm seeing industrial land prices go through the roof. Typically, in economics you go by behavior in the market, and it may be just a shortage of good industrial land sites which is making the land sites go through the roof which may also speak to the quality of what's remaining in the inventory. It seems there's a mismatch between our inventory and our market demand.

Tom Armstrong asked what is driving the commercial land deficit? Is it office, retail, or institution healthcare? That's the sort of detail that's missing. Or I can't find it in the appendices. That will inform the decision making about what do we do. It's not just added 200 acres of hospitality in Sherwood. Will that solve the problem when we need healthcare land. That's the kind of detail we need to see to inform that decision making.

Mr. Reid noted in the documentation you can find appendix one. That's the documentation of the regional employment forecast. You'll see the details about growth by sector. In the Urban Growth Report summary as well on page 48 you can find a breakout by sector of job growth. The sectors that are at the upper end there are professional business services, education, health, retail trade. You begin to see what's driving some of that commercial demand. Mr. Armstrong noted it not enough because when you go to the other table and you look at the retail trade, half of the retail trade winds up on the warehouse and distribution, because that's where Mr. Yee has slotted the sort of Amazon fulfillment centers. Again, it's hard to make that lease. It's hard to make the leap from a table like table 19 to we have a deficit of commercial land.

Jessica Pelz noted Mayor Rose asked about the slope as assumption and whether that will be addressed, and that it would obviously affect the amount of needs shown as well, that industrial land should be held to different slope assumption than residential. Mr. Reid noted we have been looking into the question posed. The mayor's question is what our capacity would look like for industrial land if we had a stricter threshold for steep slopes. So we did look into this using a 7% slope threshold. You'll remember that our capacity was just under 6,000 buildable acres for industrial land. If we reduce our threshold to 7% we lose about 1,300 acres of that. So we end up at 4,700 acres of industrial land still in excess of the baseline demand forecast by about three times. What I take from that is that generally speaking local jurisdictions zone lands industrial because of their site characteristics because they generally tend to be fairly flat. We're sort of working on the margins a little bit when we change some of these threshold definitions.

Ms. Pelz thinks this is backed up by goal nine. I think the administrative rules allow for site suitability. Every individual jurisdiction has an EOA and I looked at Sherwood's and they are saying 5% for investor land. So I think there's some justification to use local EOA's that are supported by goal nine. Mr. Reid

agreed, there's not definitive threshold that's outlined in the laws. The assumption we've been using was one that was reviewed by our land use technical advisory group last year. Again, we sent out the preliminary results of inventory for local review. So the 6,000 acres is the consequence of reviewing methods and results at this point and is primarily vacant and infill land, no so much redevelopment land. These are real parcels that underwent local review.

Joseph Edge noted there is a bullet point on here as an option for under commercial lands, finding that there's a deficit and adopting the high employment growth forecast where a policy option for Metro Council is to add thousands of additional acres of urban reserves that lack a concept plan or city support to the UGB. I realize this is unlikely but what would that look like? Do we not have a policy that new lands brought into the UGB need to be planned by a city, they need to be annexed into the city, and administered by the city once urbanized?

Mr. Reid noted there is a Metro Council policy to only expand the urban growth boundary. If a city has concept planned an urban reserve, there's a subsequent clause there unless the council finds that regional needs that can't be addressed by the proposed expansions. I think your question is fundamentally about what it means to plan for higher growth if we don't have an appropriate policy response in terms of a place for that growth to happen. I think that's a good question that should be part of that discussion. If there is a desired plan for higher growth forecast, what would we do to achieve that higher growth, not just aside from adopting a higher forecast, what would we do collectively to urbanize those areas.

Mr. Edge asked does that just fall on the counties to handle that or is it saying there'd be a negotiated process that would likely not just leave it to the county but hand it to a city? Mr. Reid noted we haven't gotten that far. I suspect that there would be a serious conversation about whether repeating some of the past decisions of adding land without having a city lined up to urbanize it is a good path to take.

### **Adjournment**

There being no further business, meeting was adjourned by Chair Kehe at 11:05 a.m.

Respectfully submitted,

Marie Miller, MTAC Recorder



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

Item	DOCUMENT TYPE	DOCUMENT DATE	DOCUMENT DESCRIPTION	DOCUMENT No.
1	Agenda	7/17/2024	7/17/2024 MTAC Meeting Agenda	071724M-01
2	MTAC Work Program	7/10/2024	MTAC Work Program as of 7/10/2024	071724M-02
3	Draft minutes	6/26/2024	Draft minutes from MTAC June 26, 2024 meeting	071724M-03
4	Draft Report	6/9/2024	Draft 2024 Urban Growth Report	071724M-04
5	Appendix 1	March 2924	Appendix 1 – 2024 Regional Economic Forecast	071724M-05
6	Appendix 1A	February 8, 2024	Appendix 1A: 2024-2044 regional population, household, and employment forecast: Expert panel review summary	071724M-06
7	Appendix 2	June 28, 2014	APPENDIX 2 – 2024 BUILDABLE LAND INVENTORY (BLI) AND CAPACITY ESTIMATES	071724M-07
8	Attachment A	June 2024	Attachment A: Documentation of Predictive Development/Redevelopment Model	071724M-08
9	Attachment B	April 22, 2024	Attachment B: Residential Readiness Task 5: Office-to-Residential Conversion Potential	071724M-09
10	Appendix 3	N/A	APPENDIX 3 – 2024 REGIONAL EMPLOYMENT LAND DEMAND METHODOLOGY	071724M-10
11	Appendix 4	N/A	APPENDIX 4 – EMPLOYMENT TRENDS	071724M-11
12	Appendix 5A	N/A	Appendix 5A: residential development indicators	071724M-12
13	Appendix 5B	N/A	Appendix 5B: Demographic indicators	071724M-13
14	Appendix 6	N/A	Appendix 6: Employment land site characteristics	071724M-14
15	Appendices 7 and 7A	N/A	Appendices 7 and 7A: Goal 14 and Metro Code locational factors analysis of urban reserves	071724M-15
16	Appendix 8	N/A	APPENDIX 8 – Housing Needs Analysis (HNA)	071724M-16
17	Appendix 8A	July 8, 2024	Appendix 8A: METRO RESIDENTIAL READINESS – TASK 8 EXISTING HOUSING NEEDS	071724M-17

<b>Item</b>	<b>DOCUMENT TYPE</b>	<b>DOCUMENT DATE</b>	<b>DOCUMENT DESCRIPTION</b>	<b>DOCUMENT No.</b>
18	Appendix 9	June 2024	Appendix 9: Sherwood West UGB Assessment	071724M-18
19	Appendix 10	December 2022	Appendix 10: METRO RESIDENTIAL READINESS PROJECT – TASK 4: HOUSING MARKET FILTERING	071724M-19
20	Presentation	July 17, 2024	Comprehensive Climate Action Plan Kickoff	071724M-20
21	Presentation	July 17, 2024	Urban growth management: Draft Urban Growth Report	071724M-21



# 2024 Urban Growth Management Decision: Metro Chief Operating Officer/Staff Recommendations

August 26, 2024

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## LIST OF ACRONYMS

The following is a list of acronyms used throughout this document.

**COO:** Metro Chief Operating Officer

**CORE:** Committee on Racial Equity

**MPAC:** Metro Policy Advisory Committee

**MTAC:** Metro Technical Advisory Committee

**UGB:** urban growth boundary

**UGR:** Urban Growth Report





## A DELIBERATE APPROACH TO GROWTH

Under Oregon state land use law, the Metro Regional Government (“Metro”) is charged with making decisions about whether to expand the urban growth boundary (UGB) in the greater Portland region. This communication from Metro’s Chief Operating Officer contains the staff recommendation to the Metro Council regarding the need for a UGB expansion and the City of Sherwood’s 2024 proposal to address that need.

The urban growth boundary has long been one of Metro’s most important tools for focusing the development of new homes and businesses in existing downtowns, main streets, and employment areas. Residents of the region have told us time and again to hold this priority: make the most of the land inside the boundary so that outward growth on the urban edge only happens when it is necessary and provides benefit for the entire region. This deliberate approach is crucial for strengthening existing communities, protecting farms and forests, and reducing greenhouse gas emissions.

According to state law, Metro is required to make a decision about whether to expand the UGB at least every six years. In making these decisions, Metro must provide up-to-date information about demographics, population and employment growth, development trends, and estimates of buildable land inside the UGB. This thorough assessment of whether there is a regional need for expanding the UGB is not only required by law – it is central to the greater Portland region’s identity. When new growth occurs at the edges of the urban growth boundary, it should be necessary, planned, and deliberate.

Today, the greater Portland region is facing a housing shortage crisis. In addition, there is agreement across the region that attracting more family-wage industrial jobs will help our communities thrive. However, it is also clear that simply providing more land won’t necessarily result in jobs and housing. Experience has shown that certain conditions must be in place to ensure that UGB expansion areas produce housing and jobs in a near term time frame. Time and time again we have seen that development occurs successfully where there is a commitment from city leaders and community members, where there is a plan for paying for needed infrastructure, and where there is market demand. If these ingredients aren’t present, new urban growth is extremely slow if it happens at all.

For those reasons, in 2010 the Metro Council adopted a policy to only expand the UGB into urban reserve areas that have been concept planned by a local government and that demonstrate readiness to be developed. In the current 2024 UGB cycle, the City of Sherwood is the only city that has prepared a concept plan and proposed a UGB expansion, and they have shown that these elements are in place. Sherwood’s readiness for new urban growth provides an opportunity to address the regional land needs identified in the draft 2024 Urban Growth Report (UGR).

Consequently, Metro staff recommend that the Metro Council consider expanding the UGB to include the Sherwood West urban reserve. Staff further recommend that the Council consider placing conditions on this expansion to ensure that the land is used efficiently and will support regionally identified needs. These conditions could reinforce the City of Sherwood’s concept plan for the expansion area by improving housing affordability and protecting industrial lands so that they produce well-paying jobs in the manufacturing sector.

The information that follows sets out the reasoning behind this recommendation and lays the groundwork for the Metro Council to consider potential conditions of approval.

## **ADAPTING AND IMPROVING OUR GROWTH MANAGEMENT PROCESS**

Our region’s deliberate approach to growth has paid dividends for people who call this region home by helping to maintain a unique connection to nature and a high quality of life. However, as the world changes, our approach to managing growth must change too. In response to evolving needs and conditions over the years, Metro and its partners have collaborated to make improvements to the urban growth management process such as:

- Working with our regional partners to identify designated urban reserves and rural reserves that provide certainty about where the UGB may or may not be expanded over the coming decades.
- Using a ‘range’ forecast to acknowledge that there is inherent uncertainty in estimating future growth over the next 20 years.
- Encouraging more timely housing and business development in UGB expansion areas by requiring that a local jurisdiction complete a concept plan for an urban reserve before the area is brought into the boundary.
- Providing grant funding to cities to support local concept planning and comprehensive planning efforts.
- Adopting a fast-track expansion process for adding large industrial sites to the UGB to respond to near term opportunities.
- Providing an off-cycle UGB amendment process to address unanticipated non-residential land needs such as those identified by school districts.
- Creating a mid-cycle UGB process to be responsive to city proposals for addressing unanticipated residential land needs between the designated 6-year scheduled approval process.
- Clearly specifying in Metro’s Code the factors that cities must address in UGB expansion proposals.
- Completing a land exchange in 2023 that brought concept planned land within an urban reserve inside the UGB and removed unplanned land to ensure more of the land inside the UGB will produce housing.

- Continually improving technical analyses to reflect new practices, including how to forecast redevelopment potential and estimate current and future housing needs.
- Examining regional needs for industrial lands with specific site characteristics and applying that information to evaluate expansion proposals.
- As with the forecast, using a range of estimates to acknowledge the inherent uncertainty in predicting growth capacity within the UGB.
- Increasing transparency by convening the 2024 Urban Growth Report Roundtable, comprised of diverse expertise and interests.
- Elevating youth perspectives and building future leaders by convening a UGB Youth Cohort in 2024.

One of the characteristics that makes our region unique is our ability to collaborate and work together to adapt and modernize our systems to respond to changing conditions.

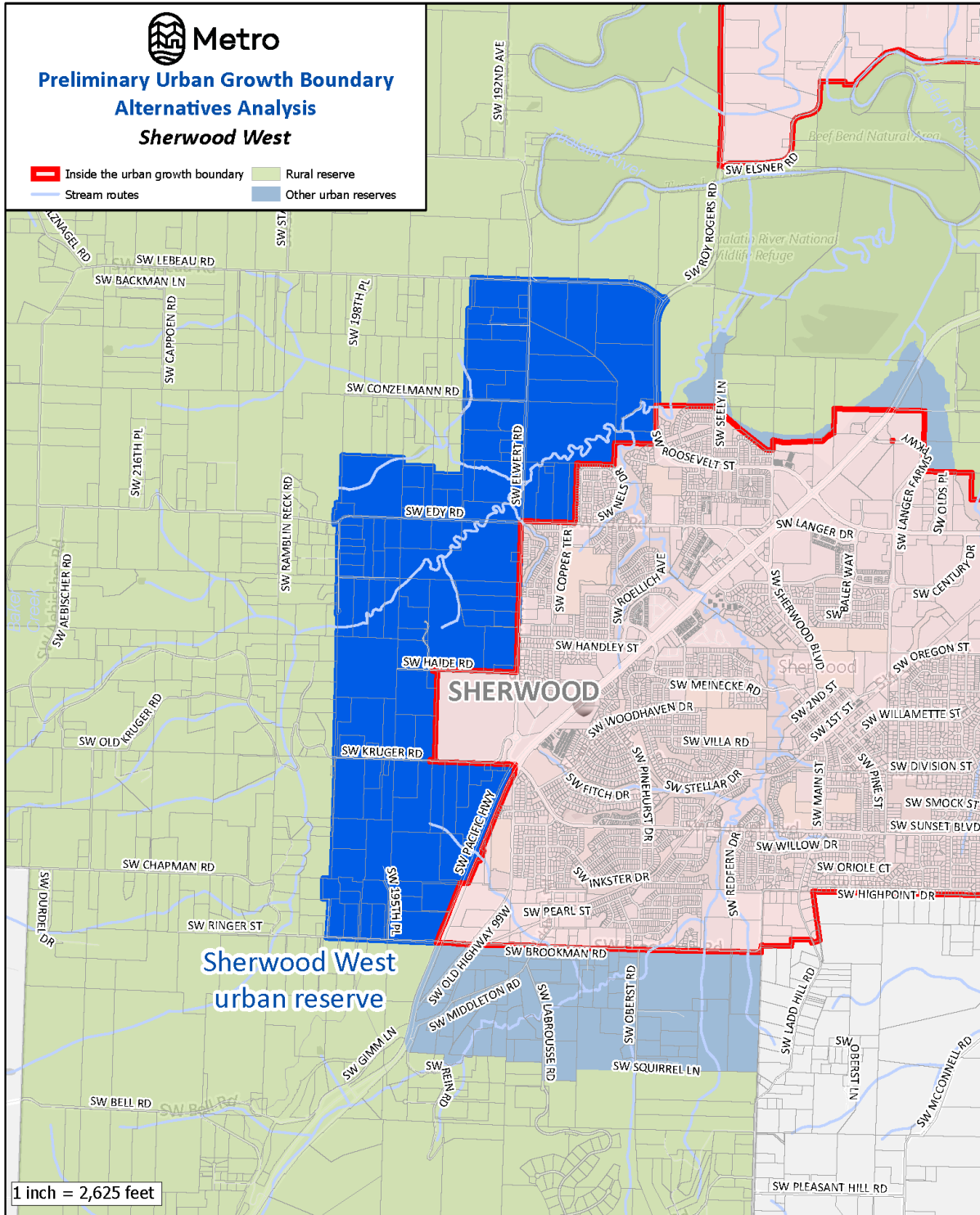
## **CITY OF SHERWOOD READINESS**

Based on the draft 2024 Urban Growth Report (UGR) in addition to discussions at the Metro Council, MPAC, MTAC and the Urban Growth Report Roundtable as well as comments received during the public comment period, Metro staff believe there is a regional need to expand the UGB to provide more land for housing and job growth. Staff also encourage the Metro Council to set clear expectations for areas added to the boundary, so the expansion addresses not just local interests, but regional needs.

The City of Sherwood has completed extensive work to propose a UGB expansion for the Metro Council's consideration. The expansion proposal indicates that Sherwood is ready to take meaningful steps toward getting homes and businesses built in the proposed UGB expansion area. The Sherwood West Concept Plan includes proposed land uses to support up to approximately 5,500 housing units and 4,500 jobs. For those reasons, staff recommend that the Metro Council consider expanding the region's UGB to include the Sherwood West urban reserve.

Considerable work remains if the Metro Council chooses to add this area to the UGB. As part of this recommendation, staff encourage the Council to identify conditions ensuring that land added to the UGB will address a range of housing needs and provide industrial sites likely to attract family wage manufacturing jobs.

Figure 1: Recommended UGB expansion in the Sherwood West urban reserve



The following pages of this report describe additional considerations that inform this staff recommendation.

## **THE REGION NEEDS MORE HOUSING OF ALL TYPES**

It is well known that there is a national housing shortage, as well as housing shortages in Oregon and in the greater Portland region. This is reflected in housing prices and rents that remain high and in the growing number of people experiencing housing instability or homelessness. With the expectation that population growth will continue in our region – irrespective of the rate of that growth – we need more housing to be built.

The vitality of every community depends on having a diverse range of people from all backgrounds doing a broad range of work: teachers, contractors, daycare providers, nurses, and grocery store workers to name a few. As home prices rise and demand outstrips supply, we need to do more to provide housing opportunities for these essential workers in every community. Likewise, we need to provide housing options that suit people from all life stages: students seeking rental housing, growing families that need an additional bedroom, retirees seeking to downsize but remain in their community.

The primary question addressed by the Urban Growth Report is not just whether more housing is needed but whether there is enough space inside the existing UGB to meet that need. Land already available within the UGB provides opportunities for a diverse range of housing. The region’s track record, as documented in the 2024 UGR, shows that there is considerable market demand for urban housing close to transit, services, and amenities. Recent statewide allowances for ‘middle housing’ such as townhouses and duplexes are producing results, and we expect that more of these housing options will be provided in the future.

The draft UGR also indicates that, depending on our assumptions about the future, there is potentially a need for additional land to meet the region’s need for additional housing. As we consider bringing new areas into the UGB, we must make sure those areas will address the needs of a wide variety of households.

## **REGIONAL NEED FOR UGB EXPANSIONS FOR HOUSING**

Under state law, the UGB can only be expanded when there is a demonstrated regional need for additional capacity to accommodate the next 20 years of forecasted growth. The analysis in the draft 2024 UGR’s range of growth estimates shows that the Metro Council has the latitude to determine that a need for more land exists.

### **Housing capacity**

The draft 2024 UGR describes a range of possible housing growth capacity currently available within the urban growth boundary. The specific amount of housing capacity available within that range depends on expected market conditions and development responses. Consistent with the recommendation to plan for the baseline forecast described in the following

paragraph, staff recommend capacity assumptions that fall within the middle of the ranges established in the draft 2024 UGR.

For the 2024 growth management decision, staff recommend that the Metro Council base their decision on a finding that there is capacity inside the UGB for 175,500 additional homes. Details about that assumed growth capacity can be found in Attachment 1 to this recommendation and in the draft 2024 UGR.

### **Household forecast and capture rate**

As a basis for this growth management decision, staff recommend that the Metro Council plan for the baseline forecast for the seven-county Metropolitan Statistical Area (MSA) for the 2024 to 2044 period. The baseline forecast describes the most likely amount of growth for the region. This means planning for approximately 315,000 more people and 203,500 more households in the MSA.

The UGB “capture rate” is used to describe the share of seven-county household growth that is expected to occur in the Metro UGB. For discussion purposes, the draft 2024 UGR scenarios assumed a 70 percent UGB capture rate. Staff have heard partner opinions and share optimism that the region will regain its reputation as an attractive place to live and work. Staff therefore recommend that the Metro Council consider planning to accommodate slightly more than 70 percent of the MSA’s household growth in the Metro UGB.

Notwithstanding recent declines after the pandemic-induced recession, this would represent a continuation of the historic upward trend in Metro’s UGB capture rate for household growth. Adding the Sherwood West urban reserve to the UGB can provide a means of achieving this slightly higher capture rate by attracting household growth that may otherwise occur outside of the Metro UGB.

Staff recommend that the Council plan for 176,500 to 180,800 additional homes in the Metro UGB to meet current and future housing needs. Additional details about how those numbers are derived can be found in Attachment 1 and in the draft 2024 UGR.

### **Housing capacity deficits**

Comparing UGB housing growth capacity (175,500 homes) and housing needs (176,500 to 180,800 additional homes) indicates a potential deficit of capacity for 1,000 to 5,300 homes. Additional details about those deficits can be found in Attachment 1.

Depending on the mix of housing it includes, the Sherwood West urban reserve could meet the range of identified regional housing capacity deficits. The adopted Sherwood West Concept Plan describes a range of 3,117 (9.2 dwelling units/acre) to 5,582 (16.4 dwelling units/acre) homes.



## PLANNING FOR JOB GROWTH

Future job growth requires more workers to fill those jobs. This means that our job growth forecast should be generally consistent with our expectations for population growth. Consequently, as with population and household growth, staff recommend planning for the baseline employment forecast, which estimates the most likely growth scenario.

Today, there are approximately 1,261,200 jobs<sup>1</sup> in the seven-county MSA. Staff recommend planning for an increase of approximately 110,000 jobs, for a total of 1,371,400 jobs in the MSA by the year 2044.

Based on long-term trends, staff recommend planning for 75% of the new MSA-level jobs in the Metro UGB.<sup>2</sup> Today, there are approximately 996,600 jobs in the Metro UGB. By 2044, an additional 82,500 new jobs are anticipated, for a total of 1,079,000 jobs within the Metro UGB.

## NEED FOR LARGE INDUSTRIAL SITES TO ACCOMMODATE HIGH-TECH MANUFACTURING GROWTH

Using the baseline employment forecast, the draft 2024 UGR identifies a surplus of 4,550 acres of industrial land in the region. However, as also explained in the draft UGR, most of the region's industrial land supply consists of smaller parcels with an average lot size of 3.8 acres and a median lot size of 1.7 acres. Although these smaller industrial spaces are in demand, they cannot serve the needs of the entire industrial market. The draft UGR describes a shortage of larger industrial sites for the expansion of existing businesses and recruitment of companies from outside the region; in particular, there is a lack of unconstrained parcels with relatively flat slopes and proximity to transportation facilities that could be aggregated into larger 50+ acre industrial sites.

The 2022 Oregon Semiconductor Taskforce Report identified a statewide need for four sites of 50 to 100 acres suitable for high tech manufacturers. As described in the draft UGR, the greater Portland region is the heart of the state's high-tech economy; however, the current regional inventory does not include enough industrial sites with characteristics that are suitable for addressing this need.

High tech manufacturing has become a major focus of incentive programs from the federal government designed to increase domestic production of critical technologies. Our region has significant competitive advantages in designing and manufacturing technologies to help adapt to and mitigate climate change and improve global connectivity. Staff analysis indicates that our region lacks enough available and unconstrained sites of sufficient size, slope, and proximity to

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<sup>1</sup> These figures are for non-farm jobs because the task of growth management decisions is to estimate land need for urban uses.

<sup>2</sup> The draft 2024 UGR employment land demand analysis incorporates different UGB capture rates for different sectors. 75% is the historic UGB capture rate for the 1979-2022 period across all non-farm sectors.

existing transportation facilities and high-tech manufacturing clusters to allow for growth of these critical industries over the next 20 years. A lack of available sites would be a limiting factor in our region's ability to take advantage of historic incentives to support economic development.

Under Statewide Planning Goal 14, Metro is authorized to expand the UGB onto land that is suitable to meet a particular identified need based on specific site characteristics. Staff recommend that, based on the necessary site characteristics described above, the Metro Council address a need for two 50+ acre sites by expanding the UGB to include the mixed employment area in the north end of the Sherwood West concept plan. Staff further recommend that the Metro Council consider conditions of approval to protect these important large sites to help ensure that they will address the identified need.

## **ADDITIONAL LANDS TO SUPPORT COMMERCIAL JOB GROWTH**

The draft 2024 UGR identified a baseline deficit of 320 buildable acres to support expected commercial job growth. Sherwood has included at least 135 acres for commercial employment in its concept plan. Staff recommend that the Metro Council address the commercial land need described in the UGR by expanding the UGB to include the Sherwood West urban reserve. The remaining deficit beyond that addressed by a potential expansion is within the margin of error for a long-range land need analysis. To the extent that there may be additional demand for commercial land, staff expect that demand would be addressed through additional redevelopment.

## **POTENTIAL UGB CONDITIONS OF APPROVAL**

With the goal of expanding housing choices and reducing housing costs, protecting industrial sites, and continuously improving engagement for planning efforts, staff recommend that the Council consider conditions on the proposed UGB expansion. The bullets below provide suggestions for several topics that could be addressed by conditions of approval. Generally, these recommended conditions reinforce the work that the City of Sherwood has done in its Sherwood West Concept Plan. For example:

- In order to achieve a mix of housing types, the Metro Council could establish an expectation for a minimum number of homes. This could fall within the range proposed by the City of Sherwood's adopted Sherwood West Concept Plan (base density of 9.2 units per acre to a maximum density of 16.4 units per acre). The difference between these reflects the actualization of "missing middle" housing allowed by HB 2001 (2019). The city of Sherwood would determine housing mix details in their comprehensive planning process.
- The greater Portland region is in an affordable housing crisis. We need more housing options for people who make less than the region's median income (currently \$116,900 for a family of four). Sherwood elected officials and staff have expressed an interest in

creating opportunities to live and work in their community. That will require us to work together to ensure housing affordability and not just leave it up to the market. The Metro Council could set out conditions to guide this work.

- Staff’s recommendation to create and protect large industrial sites is intended to achieve widely shared goals to grow our region’s high-tech manufacturing sectors. The Metro Council could consider specific goals or restrictions to make sure this happens.
- Creating inclusive communities means bringing a variety of perspectives into the planning process. Staff recommend a broad-based approach to community engagement that goes beyond collecting input from those who currently live near the expansion or those who have typically engaged in city planning – and include community members and Community Based Organizations representing historically marginalized groups. Staff also recommend inviting interested Tribes to engage in the city’s planning processes.

## **ADDITIONAL RECOMMENDATIONS**

### **Improve how we assess equity in growth management decisions**

For many years, Metro has had the goal of addressing racial equity in its work, including urban growth management decisions. We’ve tried several approaches including:

- Using the Regional Equity Atlas to provide decision makers with contextual information.
- Requiring cities proposing expansions to describe how they are working to advance racial equity.
- When we’ve expanded the UGB, requiring and supporting cities in conducting broad-based community engagement for their comprehensive planning.
- Assessing equity outcomes in past UGB expansion areas.

In keeping with our tradition of always seeking to learn and do better, staff recommend that Metro Council direct staff to work with its advisory committees to identify possible amendments to Title 11 of the Urban Growth Management Functional Plan to require local governments to complete equity assessments when concept planning for new urban areas.

### **Consult with Tribes**

Tribes are independent sovereigns with inherent powers of self-government and relationships with the U.S. government that derive from treaties, federal law and executive orders. These Federal-Tribal relations are political and do not derive from race or ethnicity. Treaties are listed among the elements that make up “the supreme law of the land” under Article VI of the U.S. Constitution.

The lands now known as the greater Portland metropolitan area are part of the aboriginal homelands, traditional use areas and trade networks of numerous Tribes. For millennia, Indian people resided throughout the Willamette Valley and along the Willamette and Columbia Rivers

and their tributaries in traditional villages, permanent communities and seasonal encampments. The relationship of Tribes, their lands and interests extend from time immemorial to the present day and beyond. Each Tribe's interests are distinct. These interests may overlap and intersect with the urban growth boundary in various ways.

Metro and other local governments need to do a better job of consulting with Tribes on growth management and land use issues that have the potential to impact tribal interests and priorities such as treaty rights, the protection of sensitive cultural resources, or enhancing the welfare of tribal members residing in urban areas off reservation. For that reason, staff recommend that Metro Council direct staff to work with interested Tribes, Metro's Tribal Affairs program and its advisory committees to identify possible amendments to Title 11 of the Urban Growth Management Functional Plan to require local governments to consult with Tribes when concept planning and comprehensive planning new urban areas. Staff also recommend that Metro identify opportunities to ensure and improve Metro's Urban Growth Report technical analyses are inclusive of relevant tribal priorities, expertise, and data sets.

## **Revise how we accounted for slopes on employment lands**

Recent discussions at the UGR Roundtable and the Metro Policy Advisory Committee (MPAC) have raised questions about the assumptions staff make when inventorying buildable employment lands. We have heard questions about our assumed thresholds for steep slopes and whether some of those lands are viable for development.

Based on their professional expertise and review of other jurisdiction's work, Oregon Department of Land Conservation and Development staff have recently advised Metro to use a 10% slope threshold when inventorying buildable employment lands. Staff will revise the UGR analysis of employment land capacity to follow that advice. That revised analysis will be included in the final UGR presented for Metro Council adoption later this year.

Using this more conservative slope threshold does not change the analysis in the draft 2024 UGR that the baseline forecast indicates there is enough industrially-zoned land inside the UGB to match generally expected job growth, at least before assessing a more specific need for additional land with particular site characteristics. Most importantly, it doesn't change the fact that we collectively need to focus on the investments and actions necessary to make sure more of these employment lands are shovel-ready to capitalize on economic development opportunities. That includes necessary regional discussions about site aggregation, brownfield remediation, infrastructure financing, zoning changes, incentive programs and more.

## **Update the region's vision for its future**

Our region had the foresight 30 years ago to adopt the region's Future Vision and 2040 Growth Concept. These long-range plans helped guide how greater Portland has responded to population growth in a way that reflects shared community values. The Growth Concept has

served us well and has positioned us to address the challenges of climate change and racial equity, but we know there's more work to be done to prepare for these and other future issues.

A lot has changed since the region adopted the Future Vision and the 2040 Growth Concept. Staff will bring a work program to Metro Council to renew the Future Vision and 2040 Growth Concept in Fall 2024. This work will help address many, though not all, topics and potential actions that came up while developing this urban growth management recommendation.

This work program should include an assessment of how these existing plans have performed for the region's residents: what has worked well or turned out as envisioned, and where there is still work to do or turned out differently from the vision. While we believe the fundamentals of the Vision and Growth Concept are still relevant, it is essential to demonstrate this through study.

Planning for 25 and 50 years in the future also requires understanding where today's trends may potentially take the region. The work program should include investigation of how climate change, demographics, technology, and other topics will change in the coming decades and how visioning can prepare the region to adapt to these shifts.

The updates of these long-range plans must also capture topic areas not currently addressed in the 1995 versions of these documents that are of greater importance and interest today. These include, but are not limited to: racial equity, climate resilience and adaptation, arts and culture, anti-displacement strategies, and Tribal relations. Updates must also address how Metro's purview has changed since 1995 to encompass major roles in the region's housing and parks and natural areas.

## **PUBLIC COMMENTS**

Metro held a public comment period from the release of the draft UGR on July 9 through August 22. 349 survey responses were received during this period. We heard a variety of viewpoints about the draft Urban Growth report and the City of Sherwood's expansion proposal. Themes from comments about the expansion proposal include:

- Optimism about future growth potential, including the potential for a resurgence of high-tech manufacturing
- Interest in more housing and job opportunities in Sherwood, including housing choices for seniors, young families and other demographic groups
- Concern about the impacts of a potential UGB expansion on traffic, with the lack of transit options available in Sherwood
- Concern about impacts on farmland and agricultural activities
- Importance of housing affordability
- Concern about impacts on the environment and climate change
- Concern about impacts of new development on existing public infrastructure leading to tax increases for current residents
- Concern about potential impacts on schools

- Recommendation to use land within the UGB before expanding

We also received input about the methodology of the draft UGR. Themes include: suggestions for different approaches to the buildable land inventory, population projections, and density estimates.

These comments highlight the variety of issues that need to be balanced by the UGR. While this staff recommendation does not address every technical topic raised, it acknowledges that the UGR is a point-in-time document that seeks to balance interests and provide a reasonable range of estimates for the Metro Council to determine whether to expand the UGB and accept the City of Sherwood's proposal.

## TIMELINE (SUBJECT TO CHANGE)

- August 26, 2024: Release COO recommendation
- August 28, 2024: MTAC discussion of COO recommendation and public comment themes
- September 5, 2024: Council work session on COO recommendations and public comment themes; *(full public comment summary provided at Council meeting)*
- September 11, 2024: MPAC discussion of COO recommendation and recommendations to Council; request any final MTAC advice
- September 18, 2024: MTAC advice to MPAC, if requested
- September 19, 2024: CORE recommendation to Council
- September 25, 2024: MPAC recommendation to Council
- September 26, 2024: Council holds public hearing on COO recommendations
- October 8, 2024: Council provides direction to staff at work session
- November 21, 2024: Council first reading of ordinance; public hearing
- December 5, 2024: Council second reading of ordinance; decision

## ATTACHMENT 1: HOUSING CAPACITY, NEED, AND DEFICIT ASSUMPTION DETAILS

The tables below include specific numbers, but long-term estimates cannot be expressed this precisely. For that reason, the final totals are rounded to the nearest hundred.

Table 1: Recommended housing capacity assumptions (Metro UGB, 2024-2044)

	UGB Capacity Assumptions (number of homes)			
	single-detached	middle housing	multifamily	Total
Vacant land (larger mix of single-unit detached)	34,944	13,228	42,970	91,142
Redevelopment (Baseline)	12,292	11,727	24,382	48,400
Concept plan areas and planned development on vacant land	9,096	6,662	4,138	19,896
Other planned redevelopment	135	172	9,830	10,137
Office-to-residential conversion (baseline)	-	-	1,000	1,000
ADUs and middle housing conversion/infill (low)	-	4,955	-	4,955
<b>Total UGB capacity (rounded)</b>	<b>56,500</b>	<b>36,700</b>	<b>82,300</b>	<b>175,500</b>
Capacity housing mix	32%	21%	47%	100%

Table 2: Recommended Metro region current and future housing need assumptions (2024-2044)

7-county MSA baseline household growth (2024-2044)	203,530
Future household growth in Metro UGB (70% to 72% Metro UGB capture)	142,500 to 146,500
Add 5% vacancy rate (to convert future households to homes)	7,100 to 7,400
Subtotal of UGB future housing needs (number of homes)	149,600 to 153,900
Add current housing needs (underproduction, houselessness, 2 <sup>nd</sup> and vacation rentals)	26,953
<b>Total current and future UGB housing need (2024-2044, rounded)</b>	<b>176,500 to 180,800</b>



Table 3: Metro UGB current and future housing need and deficit assuming 70% UGB capture

	UGB Housing Need at 70% UGB Capture			
	single-detached	middle housing	multifamily	Total
Future need: baseline forecast (see Table 1)	56,846	32,911	59,838	149,594
Units lost to 2 <sup>nd</sup> and vacation homes	1,072	1,769	443	3,285
Historic underproduction	726	2,089	12,160	14,975
Households experiencing houselessness	-	40	8,653	8,693
<b>Total Housing Need (rounded)</b>	<b>58,600</b>	<b>36,800</b>	<b>81,100</b>	<b>176,500</b>
Needed housing mix	33%	21%	46%	100%
Total UGB capacity (rounded)	56,500	36,700	82,300	175,500
<b>Deficits (rounded)</b>	<b>(2,200)</b>	<b>(100)</b>	<b>1,200</b>	<b>(1,000)</b>

Table 4: Metro UGB current and future housing need and deficit assuming 72% UGB capture

	UGB Housing Need at 72% UGB Capture			
	single-detached	middle housing	multifamily	Total
Future need: baseline forecast (see Table 1)	58,470	33,851	61,547	153,868
Units lost to 2 <sup>nd</sup> and vacation homes	1,072	1,769	443	3,285
Historic underproduction	726	2,089	12,160	14,975
Households experiencing houselessness	-	40	8,653	8,693
<b>Total Housing Need (rounded)</b>	<b>60,300</b>	<b>37,700</b>	<b>82,800</b>	<b>180,800</b>
Needed housing mix	33%	21%	46%	100%
Total UGB capacity (rounded)	56,500	36,700	82,300	175,500
<b>Deficits (rounded)</b>	<b>(3,800)</b>	<b>(1,000)</b>	<b>(500)</b>	<b>(5,300)</b>

If you picnic at Blue Lake or take your kids to the Oregon Zoo, enjoy symphonies at the Schnitz or auto shows at the convention center, put out your trash or drive your car – we’ve already crossed paths.

**So, hello. We’re Metro – nice to meet you.**

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Materials following this page were distributed at the meeting.



Home of the Tualatin River National Wildlife Refuge

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Metro Technical Advisory Committee  
Metro  
600 NE Grand Ave  
Portland, OR 97232

**Mayor**  
Tim Rosener

August 27, 2024

**Council President**  
Kim Young

**RE: Urban Growth Decision – Metro COO / Staff Recommendation and Conditions of Approval**

**Councilors**  
Renee Brouse  
Taylor Giles  
Keith Mays  
Doug Scott  
Dan Standke

Dear Chair Kehe and MTAC Members,

**City Manager**  
Craig Sheldon

Thank you for the opportunity to review 2024 Urban Growth Decision COO / Staff Recommendation. The recommendation includes density references for Sherwood West that require clarification and correction.

**Assistant City Manager**  
Kristen Switzer

- Pages 6 and 8 of the recommendation refer to a “base density” of 9.2 units per acre. The minimum density in the Sherwood West Concept Plan is 6.2 units per acre (Table 4, Sherwood West Concept Plan).
- The high-end density range of 16.4 units per acre would require 50% middle housing production in residential zones pursuant to HB 2001 (Table 4, Sherwood West Concept Plan). The plan indicates a realistic percentage is between 5 – 10% given current market conditions. The final density amount of middle housing will be determined through land use applications and building permits after planning for a minimum density has occurred.

The recommendation states that the Metro Council could choose to reinforce the Sherwood West Concept Plan by requiring a minimum density, ranging from 9.2 to 16.4 units per acre. Any condition of approval that requires a minimum density above 6.2 units per acre would no longer be reinforcing Sherwood’s proposal but would be requiring a new minimum density.

Sherwood is concerned that requiring a minimum density that is materially higher than what was reviewed and approved by the Sherwood West TAC and CAC, Planning Commission, and City Council, would be contrary to Statewide Planning Goal 1 (Citizen Involvement). The Sherwood West Concept Plan satisfied Goal 1 through a robust 2-year planning process, culminating in unanimous approvals by the Sherwood Planning Commission and City Council. Any condition of approval

that modifies the plan and increases the minimum density has not been informed by robust community engagement with the Sherwood community.

Since requiring concept plans in 2010, Metro has never required a higher density than what was proposed by the local jurisdiction, with the exception of a 3 unit increase in Frog Pond and a 40 unit increase in With Hazel Village South. Both increases did not materially change the nature of the community being planned by the local jurisdiction. Attachment A shows how Sherwood West and the proposed conditions of approval compare to other recently approved concept plans.

Sincerely,



Eric Rutledge  
Community Development Director  
City of Sherwood

Attachments

- A. *Concept Plan Comparison*
- B. *Legislative Impacts to Minimum Density*
- C. *Detailed Table Clarifying Sherwood West Density and Impacts of HB 2001*

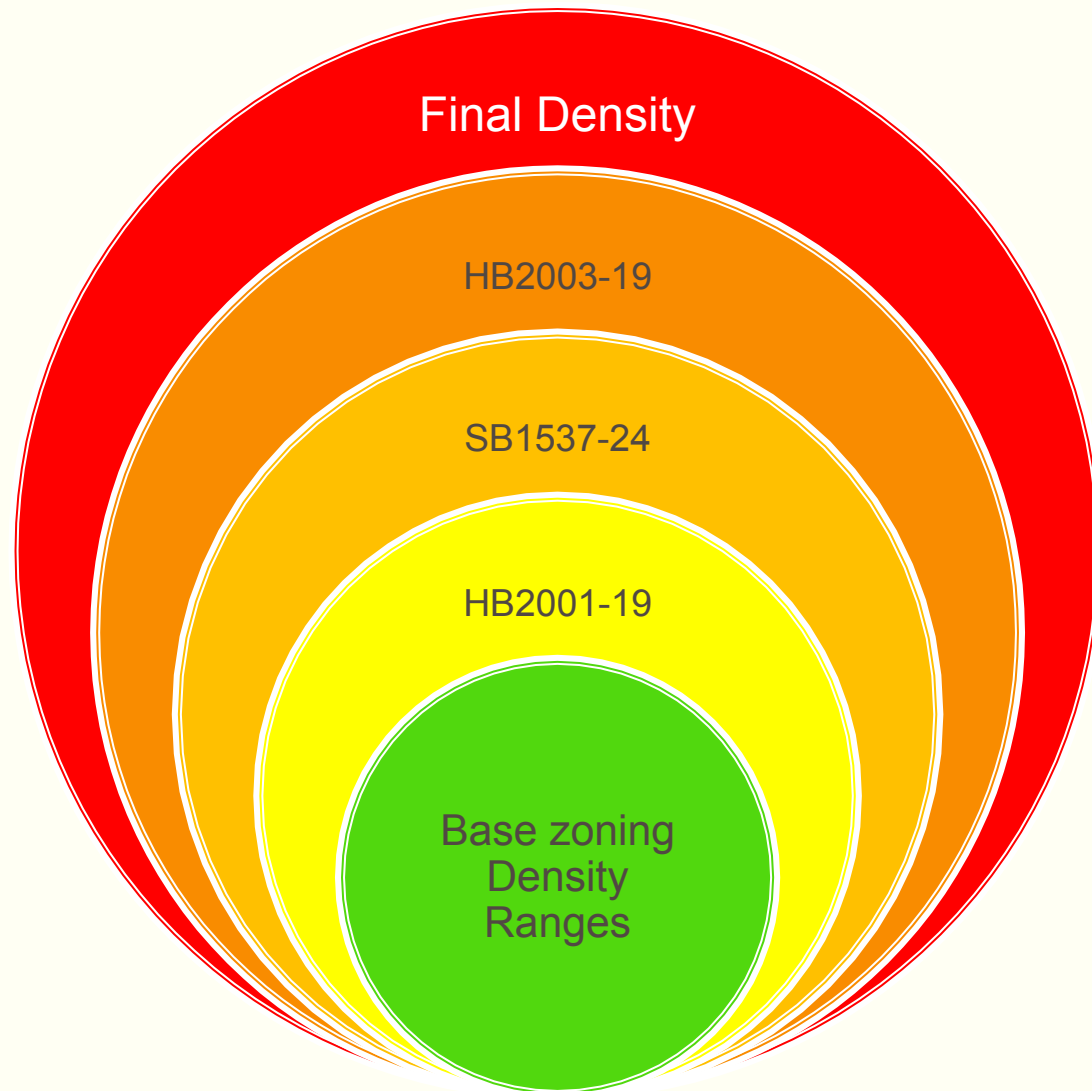
**2018 / 2023 UGB Expansions**

**Proposed Unit Count and Associated Conditions of Approval**

	Proposed Units	COA
<b>Frog Pond</b>	1,322	1,325
<b>Cooper Mountain</b>	3,760	3,760
<b>River Terrace</b>	4,546	3,000
<b>Witch Hazel Village South</b>	810	850
<b>Sherwood West</b>	2,139	3,117 - 5,500

# Planning Vs. Post Planning Regulatory Impacts

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Our future adopted comprehensive plan serves as the starting point for land use and development. However, state legislation such as HB 2001, HB 2003, and SB 1537 will inevitably increase density beyond what was originally planned.

- **HB 2001:** Allows for middle housing, boosting density in single-family zones.
- **HB 2003:** Requires housing strategies that meet affordability targets and may intensify density over time.
- **SB 1537:** Offers variances that can increase density, lot size, building height, reduced community space, etc..

These regulations inherently lift density, influencing long-term development beyond our original plans.



# Sherwood Concept Plan – Post Planning Impacts

## Sherwood West Concept Plan Expanded Housing Production Analysis

Zoning	Net Acres	Density Analysis		Housing Units Analysis						Housing Units with Potential HB2001 Impact					
		Units Per Acre		Housing Units						10%		20%		50%	
		Low	High	Low	%		High	%		Low	High	Low	High	Low	High
Multi-family	33	16.8	24	555	26%	44%	792	25%	43%	555	792	555	792	555	792
Middle Housing	16	5.5	11	88	4%	MF&HD Zones	176	6%	MF&HD Zones	88	176	88	176	88	176
Cottage Cluster	23	12.8	16	295	14%		368	12%		295	368	295	368	295	368
Med/High Density	23	5.5	11	126	6%	56% SFD Zones	253	8%	57% SFD Zones	139	279	152	311	190	406
Medium Density	102	5.6	8	571	27%		816	26%		693	990	815	1163	1180	1683
Low Density	144	3.5	5	504	24%		720	23%		706	1008	706	1296	1512	2160
<b>Total</b>	<b>341</b>			<b>2,139</b>			<b>3,125</b>			<b>2476</b>	<b>3612</b>	<b>2610</b>	<b>4105</b>	<b>3820</b>	<b>5585</b>
				<b>Net Density: 6.3</b>			<b>Net Density: 9.2</b>			<b>7.3</b>	<b>10.6</b>	<b>7.7</b>	<b>12.0</b>	<b>11.2</b>	<b>16.4</b>

The Sherwood Concept Plan sets baseline densities, but HB2001 will significantly increase units beyond these planned levels, especially in medium and low-density zones. The plan is a starting point, with post-planning regulatory impacts driving further density.



August 28, 2024

MTAC  
c/o Marie Miller

SUBJECT: Urban Growth Report Draft Comments

To Whom it May Concern:

I apologize that I was unable to share my comments during the 8/28 MTAC meeting due to a conflict but wanted to forward some comments based on my review to-date of the information. These comments reflect my position as an alternate representing private sector economic development organizations.

I have several concerns with the current iteration of the UGR.

- I consider the employment and population forecasts to be both overly pessimistic, and as a result understate the need for employment and residential capacity.
- For the employment forecasts, the rationale for the forecasts is extensively documented but the resulting forecasts are well below those generated by the State of Oregon Employment Department. I also am uncomfortable with the distribution of growth by sector, which has a substantive impact on the nature of employment land needs.
- The population growth estimates are partially driven by employment forecasts, and the modest employment forecast depresses the population forecast and associated need for residential capacity.
- The need for employment land is substantively impacted by the assumed work from home assumptions. We find these to be unreasonably high over the forecast period, and they directly decrease the demand for employment capacity within the UGB.
- The focus of the recommendations regarding employment capacity is on the need for large lot manufacturing capacity. I fully agree that this is a need, but manufacturers come with significant supply and distribution chains which require a range of space types.

The underlying growth forecast and assumptions all contribute to a reduced finding of employment capacity need. The State of Oregon allows jurisdictions to be aspirational in their future employment forecasts under Goal 9, and I believe we are far from aspirational in these forecasts. It is possible that the forecasts will prove to be correct, but there is also a risk that the prophecy is self-fulfilling. If you plan for negligible growth, you are more likely to achieve it. I believe the region should actively encourage economic expansion, and the draft UGR does not reflect this.

Sincerely,

Jerry Johnson  
Principal



Metro

# Urban growth management: COO/Staff Recommendations

MTAC

August 28, 2024

## 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*

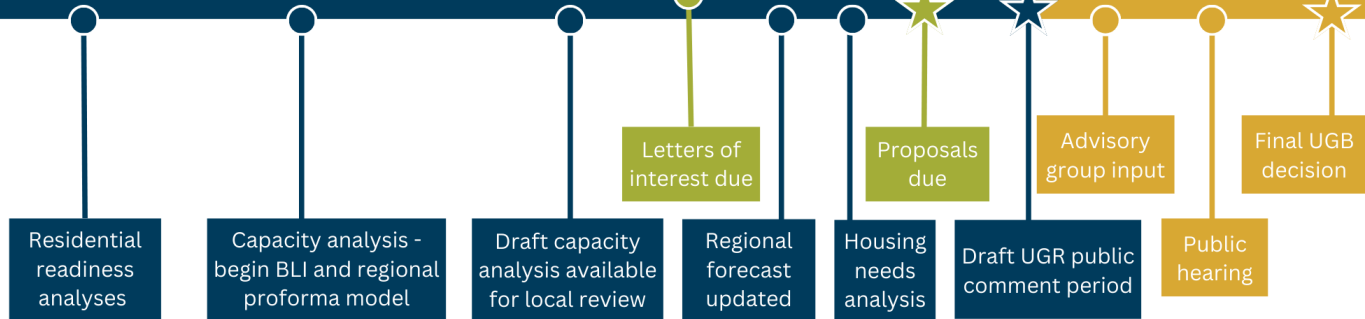
## Metro Council decision

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

Nov 2022 - July 2024

Dec 2023 - April 2024

Aug 2024 - Dec 2024



## Engagement

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

# Project timeline

	July	August	September	October	November	December
<b>Council</b>	Discussion of draft Urban Growth Report released July 9	Public comment survey available until August 22  COO/Staff recommendation released August 26	Public hearing on COO/Staff recommendation	Council direction on intended decision	Council first reading; public hearing	Council second reading; final decision
<b>MPAC</b>			Discuss COO/Staff recommendation; <i>Recommendation to Council</i>			
<b>MTAC</b>			Discuss COO/Staff recommendation; <i>Recommendation to MPAC</i>			
<b>CORE</b>			Discuss COO/Staff recommendation; <i>Recommendation to Council</i>			

# Public comment survey themes

- Optimism about **future growth potential**
- Interest in **more housing and job opportunities** in Sherwood
- Importance of **housing affordability**
- **Housing choices** for seniors, young families and other demographic groups
- Impacts of a potential UGB expansion on **traffic**, due to lack of transit options in Sherwood
- Impacts on **farmland and agricultural activities**
- Impacts on the **environment and climate change**
- Impacts of new development on existing **public infrastructure**
- Use **land within the UGB** before expanding

# Regional need for housing

- Forecast for 2024-2044
- Baseline UGB capacity: 175,500 homes
- Capture rate: 70% - 72% of growth forecast for the seven-county MSA
- UGB housing demand: 176,500 – 180,800 homes



# Capacity gap range

- UGB housing capacity deficits: 1,000 – 5,300 homes

Table 4. Sherwood West Housing Estimates

	Density Range (Net)	Total Acres (Net)	% of Residential Acres	Total Housing Units (with % of Middle Housing in Neighborhood areas)			
				0% MH	10% MH	20% MH	50% MH
Multi-Family	16.8 to 24	33	10%	798	798	798	798
Middle Housing	5.5 to 11	16	5%	173	173	173	173
Cottage Cluster	12.8 to 16	23	7%	362	362	362	362
Med/High Density Nbhd	5.5 to 11	23	7%	248	279	311	406
Medium-Density Nbhd	5.6 to 8	102	30%	816	990	1,163	1,683
Low-Density Nbhd	3.5 to 5	144	42%	720	1,008	1,296	2,160
<b>TOTAL</b>		<b>340</b>	<b>100%</b>	<b>3,117</b>	<b>3,610</b>	<b>4,108</b>	<b>5,582</b>
<i>Total Average Density</i>				9.2	10.6	12.1	16.4
<i>Total Average Density with Open Space</i>				7.8	9.0	10.3	13.9

# Job growth

- Capture rate: 75% of jobs in the MSA
- Anticipating 82,500 new jobs by 2044 in the Metro UGB for a total of 1,079,000 jobs
- Sherwood West Concept Plan: Up to 4,500 jobs

# Need for large industrial sites

- Current surplus of industrial land, however, at smaller sizes
  - Average lot size: 3.8 acres; Median lot size: 1.7 acres
- 2022 Oregon Semiconductor Taskforce Report
  - Statewide need for four sites of 50 – 100 acres suitable for high tech manufacturers

# **Recommendations: Sherwood West**



**Expand the  
UGB to include  
Sherwood  
West urban  
reserve**

# Conditions of approval

- Minimum number of housing units
- Housing affordability
- Protections for large industrial sites to grow the region's high-tech manufacturing sector
- Broad based community engagement
- Tribal consultation

# **Additional recommendations**

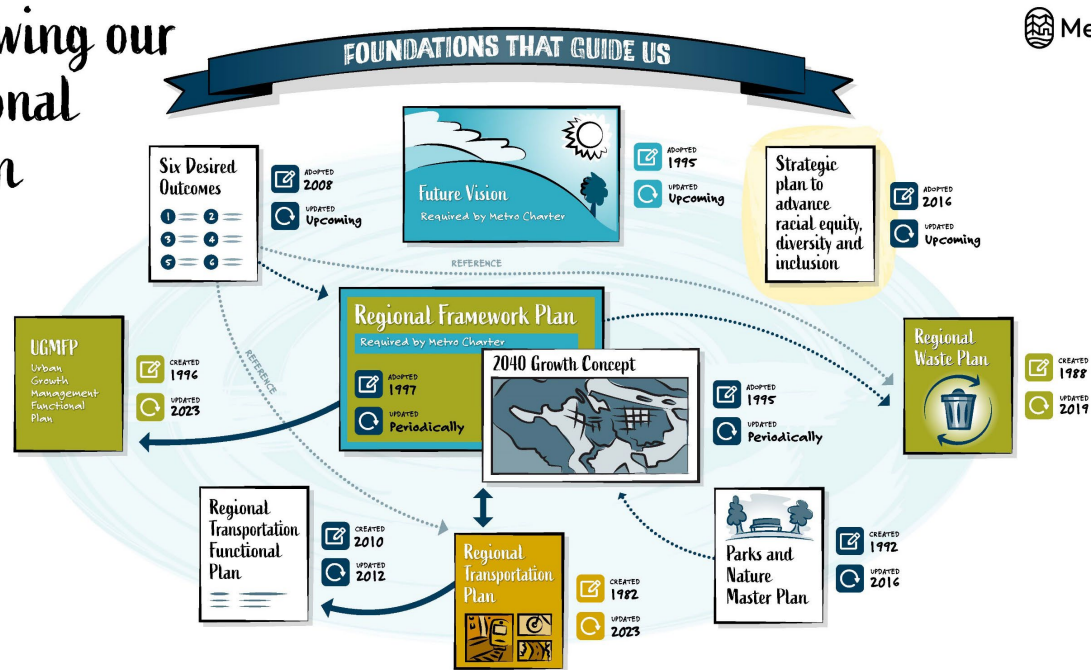


# Revise how we accounted for slopes on employment lands

- DLCDD advised Metro to use a 10% slope threshold when inventorying buildable employment lands

# Update the region's vision for its future

## Renewing our Regional Vision



# Improve how we assess equity in growth management decisions

- Possible amendments to Title 11 of the Urban Growth Management Functional Plan to require local governments to complete equity assessments when concept planning for new urban areas

# Consult with Tribes

- Staff to work with interested Tribes, Metro's Tribal Affairs program and its advisory committees to identify possible amendments to Title 11 of the Urban Growth Management Functional Plan to require local governments to consult with Tribes when concept planning and comprehensive planning new urban areas
- Identify opportunities to ensure and improve Metro's Urban Growth Report technical analyses are inclusive of relevant tribal priorities, expertise, and data sets

**Questions?**

# Next steps

- Provide recommendation to MPAC at meeting on September 18th
  - Agree with recommendation to expand the UGB to include the Sherwood West urban reserve?
  - List of thoughts to share with MPAC on the topic areas for potential conditions of approval
- Meeting in person at Metro Regional Center

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

