

Agenda



Metro

600 NE Grand Ave.
Portland, OR 97232-2736

Meeting: Metro Technical Advisory Committee (MTAC)

Date: Wednesday, September 18, 2024

Time: 9:00 a.m. to 12:00 p.m.

Place: Hybrid meeting (in-person and online offered)

- Held in-person at Metro Regional Center, Metro Council Chambers
Metro: 600 NE Grand Avenue, Portland, OR 97232

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- Held online via Zoom

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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

- Updates from committee members around the Region (all)
- Review of Democratic Rules of Order for Decision Making
- Looking for local visioning plans since 2020
- Future Vision – looking for recent visioning efforts in your community
- MetroMap lunch and learn on 9/26

Public communications on agenda items

Consideration of MTAC minutes, August 28, 2024

Chair Kehe

9:20 a.m. Urban Growth Management Decision: MTAC Recommendation To MPAC action item

Ted Reid, Metro

Purpose: Make a technical recommendation to MPAC regarding the urban growth boundary decision. Consider the COO/Staff recommendation presented at the last meeting and also provide technical recommendations to MPAC about potential conditions of approval.

Meeting break will be called by the Chair during above agenda item

12:00 p.m. Adjournment

Chair Kehe

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ១ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ 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 9/11/2024

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

All meetings are scheduled from 9am – noon

<p>MTAC meeting, September 18, 2024 hybrid meeting; in-person, MRC Council Chamber & online via Zoom</p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> • Committee member updates around the region (Chair Kehe and all) • Review of Democratic Rules of Order for Decision Making • Looking for local visioning plans since 2020 • Future Vision – looking for recent visioning efforts in your community • MetroMap lunch and learn on 9/26 <p><u>Agenda Items</u></p> <ul style="list-style-type: none"> • Urban Growth Management Decision: MTAC Recommendations to MPAC Action Item (Ted Reid, Metro) FULL MEETING (3 hours) 	<p>MTAC meeting, October 16, 2024</p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> • Committee member updates around the region (Chair Kehe and all) <p><u>Agenda Items</u></p> <ul style="list-style-type: none"> • Proposed Amendment to Urban Growth Management Functional Plan (UGMFP) Title 4 Map for Montgomery Park Ordinance 24-XXXX Recommendation to MPAC Action item (Glen Hamburg; 40 min) • EPA Climate Pollution Reduction Grant (Eliot Rose, 20-30 min) • Community Connector Transit Study Introduction (Ally Holmqvist, Metro; 30 min) • Regional Housing Coordination Strategy: Work Plan (Ted Reid, Metro; 40 min)
<p>MTAC meeting, November 20, 2024</p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> • Committee member updates around the region (Chair Kehe and all) <p><u>Agenda Items</u></p> <ul style="list-style-type: none"> • 2040 Vision Update Process (Jess Zdeb, 45 min) • 2023 Regional Transportation Plan Implementation and Local TSP Support Update (Kim Ellis and André Lightsey-Walker, Metro, 45 min.) 	<p>MTAC meeting, December 18, 2024 hybrid meeting; in-person, MRC Council Chamber & online via Zoom</p> <p><u>Comments from the Chair</u></p> <ul style="list-style-type: none"> • Committee member updates around the region (Chair Kehe and all) <p><u>Agenda Items</u></p> <ul style="list-style-type: none"> • Urban Growth Management Decision: Follow up on process (Ted Reid, Metro) • Safe Streets for All update (Lake McTighe, 45 min)

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

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Democratic Rules Cheat-Sheet: Making Decisions

(distilled from the Democratic Rules of Order)

"I second that emotion!" -Smokey Robinson & The Miracles

Making a Motion

1. Committee decisions are made with motions in which a member says "I move [*that some action be taken*]."
2. Before any motion can be considered it must be seconded by another member. This prevents time being spent on an idea that has little chance of approval.
3. A new motion cannot be made until the motion on the floor has been withdrawn or voted on except for these motions, which speak to the motion on the floor:
 - *Motion to amend*
 - *Motion to postpone*
4. If the motion is clear and has been seconded, the Chair or Secretary should repeat the motion to make sure it is understood and recorded correctly.
5. The mover typically speaks to the motion first and again at the end of the discussion.
6. During discussion, ideas for improving the motion may occur and may be accepted by the mover provided the new wording is seconded by another member. Rewording can be continued until the motion is as perfect as the mover, assisted by the committee members, can make it.
7. Once the mover has decided on new wording and it has been seconded, the Chair or Secretary should read out the reworded motion, and this becomes a new motion on the floor, replacing the previous one.

Amending a Motion

1. If the mover does not (or cannot, because of objections) make a suggested change to the motion, any member may move an amendment to the original motion. An amendment may delete, substitute, or add words that will modify the original motion but must not negate it or change the intent.
2. The amendment, when accepted by the chair and seconded, immediately becomes a new motion on the floor, temporarily replacing the original motion.

3. The details of the proposed amendment are discussed, not the original motion, and then the amendment is voted on.
4. An amendment cannot be amended but can be defeated and replaced with another amendment.
5. If the amendment passes, the Secretary should read the newly amended previous motion, which is now a new motion on the floor to be discussed and voted on. It cannot be reworded or withdrawn by the original mover's privilege now, but this new motion can be passed, defeated, or amended again.
6. If the amendment fails, the previous motion again becomes the motion on the floor.
7. A non-binding opinion poll (straw vote) can be held by the Chair any time during the meeting if the members are willing.

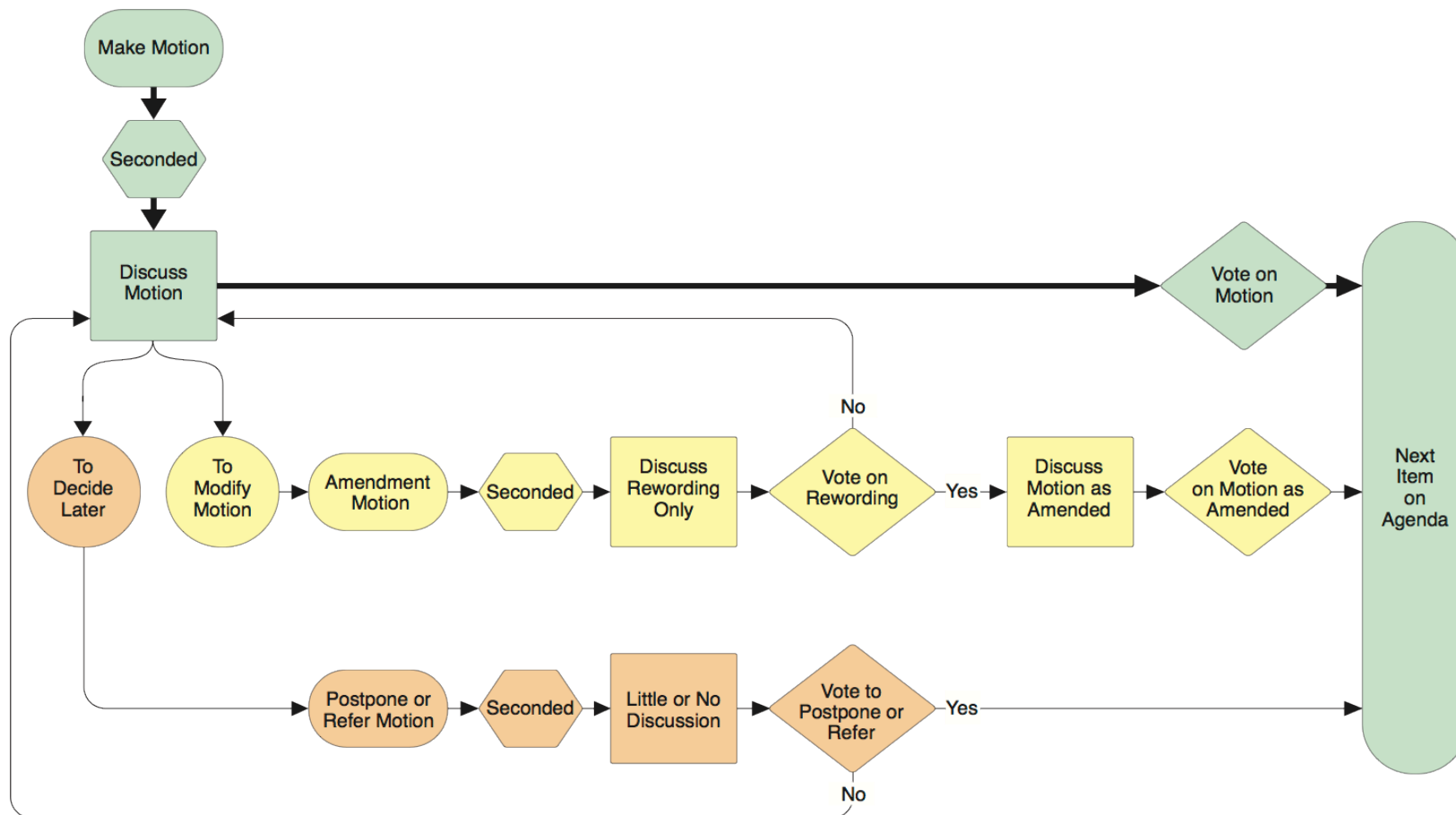
Postponing a Motion

1. Any time before the motion has been voted on, a member may move to postpone the motion on the floor (including any amendments passed) to a future date or to refer it to a standing or ad hoc committee for further study.
2. A motion cannot be postponed permanently.

Voting on a Motion

1. When all members who wish to speak have done so, the Chair should call for a vote.
2. Members shall vote in favor or opposed to the motion, or abstain from the vote.
3. A decision is made (the motion is passed) when a quorum is present and more than half the votes are in favor. Abstentions are not counted toward the decision.
4. Members who believe discussion is complete may call out "question," or the chair may ask "Are you ready to vote?" The response is a guide for the chair only and does not force a vote.
5. A member who believes that the chair is calling for the vote too early or is delaying too long can move that "we delay the vote for more discussion" or that "we vote now." Such a motion needs seconding and should be voted on with little or no discussion.
6. The Chair or Secretary should announce the outcome of the vote for the record.

Flow Chart Using *Democratic Rules of Order*



GOOD ORDER

- Stay on topic
- One speaker at a time, acknowledged by chair
- No interrupting

POINT OF ORDER

- Member explains how a law or good order is being breached
- Chair rules on point of order
- Vote if necessary





Meeting minutes

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

Date/time: Wednesday, August 28, 2024 | 9:00 a.m. to 12:00 p.m.

Place: Virtual video meeting via Zoom

Members Attending

Eryn Kehe, Chair
Joseph Edge
Carol Chesarek
Victor Saldanha
Tom Armstrong
Erik Olson
Terra Wilcoxson
Aquilla Hurd-Ravich
Anna Slatinsky
Laura Terway
Katherine Kelly
Jamie Stasny
Jessica Pelz
Laura Kelly
Manuel Contreras, Jr.
Gery Keck
Nina Carlson
Tom Bouillion
Bret Marchant
Mary Kyle McCurdy
Rachel Loftin
Preston Korst
Erik Cole
Mike O'Brien
Brendon Haggerty

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
Largest City in Multnomah County: Gresham
Second Largest City in Clackamas County: Oregon City
Second Largest City in Washington County: Beaverton
Clackamas County: Other Cities, City of Happy Valley
City of Vancouver
Clackamas County
Washington County
Oregon Depart. of Land Conservation & Development
Clackamas Water Environmental Services
Tualatin Hills Park & Recreation District
NW Natural
Port of Portland
Greater Portland, Inc.
1000 Friends of Oregon
Community Partners for Affordable Housing
Home Builders Association of Metropolitan Portland
Schnitzer Properties, Inc.
Mayer/Reed, Inc.
Public Health & Urban Forum, Multnomah County

Alternate Members Attending

Vee Paykar
Faun Hosey
Ashley Miller
Dan Rutzick
Dakota Meyer
Martha Fritzie
Kevin Cook
Oliver Orjiako
Glen Bolen
Kelly Reid
Cassera Phipps
Fiona Lyon

Affiliate

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

Jerry Johnson
Kerry Steinmetz
Erin Reome
Greg Schrock
Craig Sheahan
Max Nonnamaker
Ryan Ames
Leah Fisher

Johnson Economics, LLC
Fidelity National Title Greater Metropolitan Portland
Redevelopment/Urban Design, N. Clackamas P&R
Commercial/Industrial, PSU
David Evans & Associates, Inc.
Public Health & Urban Forum, Multnomah County
Public Health & Urban Forum, Washington County
Public Health & Urban Forum, Clackamas County

Guests Attending

A Brown
Adam Torres
Barbara Fryer
Brad Kilby
Bruce Coleman
Eric Rutledge
Harrison Husting
Ken Rencher
Kevin Young
Kristopher Fortin Grijalva
Mac Cunningham
Marc Farrar
Sam Diaz
One unidentified phone caller

Affiliate

Clackamas County
City of Cornelius
Harper Houf Peterson Righellis, Inc.
City of Sherwood
City of Sherwood
Clark County
Washington County
Oregon Dept. of Land Conservation & Development
Oregon Environmental Council
Community Partners for Affordable Housing
Metropolitan Land Group, LLC
1000 Friends of Oregon

Metro Staff Attending

Al Mowbray, Clint Chiavarini, David Tetrick, Eryn Kehe, Kadin Mangalik, Laura Combs, Marie Miller, Miriam Hanes, Ted Reid

Call to Order, Quorum Declaration and Introductions

Chair Eryn Kehe called the meeting to order at 9:00 a.m. A quorum was declared. Introductions were made.

Comments from the Chair and Committee Members

Chair Kehe reminded the committee 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. Parking information and other information will be shared prior to the meeting.

The Regional Housing Coordination Strategy was noted by Chair Kehe. This is a state required plan that Metro will develop for coordination and strategy within one year of our urban growth boundary decision to help increase housing production and support all the cities and counties who are working on their plans as well. An update on this work plan is scheduled for the October MTAC meeting. It was pointed out typically Metro's distributed forecast follows our Urban Growth Boundary decision by at least a year that is approved by Metro Council. It's likely to be late in 2025 or 2026. There has been some confusion around the production targets, and it will be coordinated with our Urban Growth Report and information around the Urban Growth Boundary decision. But our distributed forecast won't be out in time for this year's target. More information will be discussed at the October meeting.

Chair Kehe announced Metro is preparing and working on scoping for Metro’s Future Vision and the 2040 Growth Concept. You may not know that we have a future vision that guides that growth concept. It hasn’t been updated since the late 1990’s. We need to update that as well as the framework plan. The 2040 growth concept is part of the framework plan. We will start with putting together a big vision process. This is dictated in our charter. More information on this will be brought to MTAC in future meetings.

Public Communications on Agenda Items Eric Rutledge from the City of Sherwood provided testimony on Urban Growth Decision – Metro COO / Staff Recommendation and Conditions of Approval, appearing on the agenda. The letter submitted to the committee that accompanied this verbal testimony was added to the meeting packet, page 37.

Consideration of MTAC minutes July 17, 2024 meeting

Chair Kehe moved to accept as written minutes from MTAC July 17, 2024 meeting.

ACTION: Motion passed unanimously.

Urban Growth Management Decision: Metro Chief Operating Officer recommendation (Ted Reid, Laura Combs, Metro) Laura Combs began the presentation with a review of the project timeline. The public comment period provided themes that was shared with the committee:

- 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

The regional need for housing was reviewed. The forecast for 2024-2044 was used with a baseline UGB capacity, 175,500 homes expected. The capture rate for growth forecast in the seven-county MSA was planned for an estimated 70% - 72%. From this the UGB housing demand was estimated at 176,500 – 180,800 homes. Using the baseline capacity estimates from the COO staff recommendations as well as the baseline household forecast results in the deficit for growth capacity for housing, shown in the capacity gap range slide.

Job growth was reported at estimates for 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. The Sherwood West Concept Plan: Up to 4,500 jobs. The need for large industrial sites was reviewed. There is a current surplus of industrial land, however, at smaller sizes. The 2022 Oregon Semiconductor Taskforce Report showed a Statewide need for four sites of 50 – 100 acres suitable for high tech manufacturers.

The COO staff recommendations include expansion of the UGB to include Sherwood West urban reserve with 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 include revising how we accounted for slopes on employment lands. The DLCD advised Metro to use a 10% slope threshold when inventorying buildable employment lands. It was recommended and planned to update the region's vision for its future. It was recommended to 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 could be proposed. It was recommended that 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 This could help identify opportunities to ensure and improve Metro's Urban Growth Report technical analyses are inclusive of relevant tribal priorities, expertise, and data sets.

Comments from the committee:

Preston Korst appreciated Sherwood's comments about the city's due diligence and concept planning, noting that's a requirement that Metro has stipulated for at least a decade, that cities need to be putting forward their own concept plans before Metro considers an urban growth boundary. When it comes to the recommendations, we are concerned about the political risks that come with adding recommendations that are a little bit too prescriptive in their nature in terms of how they're presented from Council. We've seen whenever there is an opportunity for the political risks of an urban growth boundary to take place it's more than likely to derail the entire process. With that being the frame of how I'm presenting it, is how do you plan to present the recommendations in a way that allows the cities the autonomy to be flexible in their planning. Is there a way that is planned to set the recommendation that gives some flexibility to the City of Sherwood, or having as in 2018, setting the expectation for making these a little bit more aspirational more so than required.

Chair Kehe started with what's typical. It goes further back than 2018 and it is typical for conditions of approval to exist. When the expansion was made in 2018 there were conditions of approval that had a number of dwelling units as a minimum that is planned for in comprehensive planning for each of these cities, numbers that were obtained from the range that was presented in the concept plans by that city. In terms of how conditions of approval will be decided in this process this year, those conditions are set by our Council. They were in 2018 and they will be in 2024. Right now, the COO recommendation does not have a number for Sherwood for a condition on that number of units. It's presenting a range of choices for the Council to consider. Comments made by the City of Sherwood that range by Metro starts at nine dwelling units per acre, and Sherwood's plan is six. That range will be a political conversation at MTAC and Council.

Planned next steps for the September 18 MTAC meeting was a two-piece recommendation.

- Agree with recommendation to expand the UGB to include the Sherwood West urban reserve? You can agree with the recommendation with some caveats, separate from any conditions of approval.
- List of thoughts to share with MPAC on the topic areas for potential conditions of approval. You are the technical advisory committee to MPAC and provide that expertise on topic areas about the conditions of approval. You mentioned the number range of housing production. You may want to provide input on other conditions regarding general areas of affordability, the protection of large lot industrial areas and more. In many ways the conditions only come into play if the UGB has expanded.

Mr. Korst noted looking at the potential UGB conditions of approval section on page eight. It just seems vague to me. There isn't necessarily an expectation. Basically, it will be saying Metro in the COO recommendation. It also says Metro Council could add a condition. Chair Kehe noted this recommendation isn't recommending an affordability concept. It's just saying Council should consider some kind of condition related to affordability and lets Metro Council determine what that condition would be. It was noted in the past we had draft COO recommendations that did include some draft conditions of approval, but also in the past some conditions of approval happened in the Metro Council process late in the game. It's not unusual for conditions to be undefined at this stage, but this is more undefined than they have been in the past.

Mary Kyle McCurdy noted this is very much a legal decision as well as a political one. There are requirements to meet needed housing and Metro has its own six desired outcomes, which I've not seen mentioned in the COO's Report, which also among other things govern this decision. Given what the City of Sherwood said today about their unwillingness to go above 6.2 dwelling units per acre, will the COO and staff be going back to reanalyze its recommendation that changes quite a bit, included needed housing, whether any of the needed housing, most of the housing that's needed in the state and in the region is for those at 120%. The primary funder of affordable housing is litech. To even qualify for litech housing you need about 40 units per lot. That means none of that would qualify. Regarding climate strategies that Metro has committed to, will the COO be going back and redoing this analysis COO recommendations?

Chair Kehe noted all of those are decisions that our Council has the opportunity to make in their deliberations. Ms. McCurdy added that the last UGB expansion in 2018 had a requirement for minimum density that was 15 units per acre. The Governor's UGB expansion bill in 2024 required for any Metro expansions underneath that bill to be 17 units per acre. This is different from the past decade.

Nina Carlson focused questions and comments on industrial lands. One, I would be curious to know if or why there was no scrubbing the amount of industrial land that was deemed available in the UGB with commercial real estate folks. Knowing the folks in the industry, anything under five acres is very difficult to do. Any sort of larger industrial, or heavy medium to heavy industrial, you need larger pieces than that. Three acres or under and it's disaggregated around the region. I struggle with that being included in the number.

Additionally, I appreciate you dropping the slope down to 10%, but again, those same folks who do this development every day won't look at anything that has a grade of over 7%. So that's concerning in that number. Lastly, I appreciate all the work that's gone into this. But for those industrial areas to be really meaningful a lot of those are brownfield or areas that have real struggles with their infrastructure. I think a cost needs to be put on those places and potentially those that won't pencil in with those kinds of costs be take out or put in an ancillary bucket that aren't considered unless state or federal funding are found to be able to bring that into something that would pencil out because there's no sense counting properties that will not get developed. We have enough of those around that we see today.

Ted Reid started a reply with the small sites less than five acres. We have done some work on small site competitiveness and our analysis found those smaller sites actually do play a very important role in the regional economy. In particular, they serve smaller businesses that are often owned by people of color, that serve as an incubator for these small businesses in the economy. Our sense is we shouldn't ignore them completely. But as you noted there is a segment of the industrial market that does require larger sites since we've attempted to recognize that in the work we've been doing.

Chair Kehe added that it does get to the function of the center of what this UGB decision is about. If we discount vacant land completely and say that vacant land inside the UGB is useless, and therefore we need to expand the growth boundary. I think that's something we need to talk more about. I think it gets away from the fundamental idea that we use land effectively. It makes me question if we have vacant land inside the growth boundary and it's useless as industrial land, which is what you're saying, nobody wants to develop it, then we need to make some changes so that that land can be developed and become efficient use of the land inside the growth boundary, not discount it and let it stay vacant forever while we continue to grow out on the edge.

It does raise a really important issue, and you're not the only one to raise this, and it's really critical that we make sure that those areas do develop. Mr. Reid noted one way in which they can. But you are correct about the need for investment. Many of those are Brownfield and taking them out of that status and making sure that they're cleaned up is a problem that we need to address. We've found a way to specifically address this industrial need for large lots that supports the Sherwood proposal, and that's what's in the COO's recommendation.

Tom Armstrong noted following up from a previous conversation and hearing Sherwood is taking a pretty hard stand at six units per acre, this is significantly less than any of the previous UGB expansions at least recent past. In the previous draft UGR it had an analysis of what it would take or how you would adjust the redevelopment rate which is a pretty low 20%. I'm wondering if you're going to be able to provide an alternative analysis that says that if Sherwood is not agreeable to a higher density to help meet some of our housing needs, affordable housing needs, then Metro Council would have to adjust the redevelopment rate to create the capacity to meet those needs. I think there was a reference for the high scenario of going from 20 to 40%. I'm curious now that you've zeroed in on a regional forecast, what the redevelopment rate would need to be to meet the 5,000 units of additional capacity that you've identified as a need. You are saying meet that capacity inside the existing UGB by increasing the redevelopment rate for 20% to what? Is it 25%? Is it 23%? Is it a reasonable number or is it a huge stretch goal. Having that additional information would help.

Mr. Reid this was noted as something that got mentioned in the draft Urban Growth Report. We have a fairly conservative approach to how we assess redevelopment capacity in this work. There's the initial question about is redevelopment financially feasible on any particular property. And then we've also looked back at redevelopment in the past and acknowledged that even if a site is financially feasible to redevelop it doesn't mean that it necessarily does. As Mr. Armstrong is recounting, we've assumed that about 20% of the financially feasible parcels will actually redevelop in the future. He is correct on that. We have not gotten to the point of talking about how we would redo this analysis. I think right now we are in the phase having presented the COO recommendation and we anticipate some good policy discussions about expectations for any areas added to the boundary.

Mr. Armstrong asked do you think you could provide that information for us for our September 18 meeting? Mr. Reid noted he would check with his colleagues. I think there's another sort of complicating question here about the COO recommendation. As it stands, the housing need that is identified talks about middle housing and single unit detached housing in particular, which are a bit more challenging to address through redevelopment. Let me think about this and we'll see what we can do.

Dan Rutzick noted as I think about the Urban Growth Report, I am mindful about the Sherwood West UGB expansion. The 2024 Urban Growth Report will have implications for city and county planning

processes in the coming years. We'll identify the subsequent distributed forecast, as was mentioned earlier, to then inform the local housing capacity analysis and the regional transportation plan remodeling. A question I would pose to MTAC today is beyond the Sept. 18 meeting, talking about agreeing with the recommendation to expand the UGB to include Sherwood West, thoughts to share with MPAC on the topic, potential conditions of approval. I would encourage MTAC to also have a play with other input to share with MPAC regarding the 2024 UGR that can help inform overall thoughts on the work. Sherwood West, obviously, as we talk about at Metro multiple times, is front and center as part of this work, but I don't want to lose track of the overall urban growth report and some concerns I think local governments may have and others about other building blocks. I have a question with the baseline scenario, the Metro COO recommending the baseline scenario. Is that falling within the category of the new normal scenario two, or the new normal scenario three that we've been talking about in the last couple months.

Mr. Reid noted you'll recall we talked about the draft urban growth report with some of the housing demand scenarios. One was following in footsteps where future generations make choices similar to those that proceed them. There was the strong urban market scenario where there was a lot of very urban high-density development that would look a lot like the 2010, 2018 timeframe with that kind of development that we saw. In the middle was this new normal that was basically a blend of those two. We had two variations on that new normal, one that they used some initial capacity estimates that we had developed. Then a variation on that that attempted to respond to some of the feedback we got from suburban jurisdictions in particular. In their experience residential zones that are zoned for single unit detached housing that also allow middle housing, they tend to see a higher mix of single unit detached, not so much the middle housing. That variation was also included in the draft urban growth report. I've lost track of what the numbering for those scenarios was, but the COO recommendation is essentially what I described as the baseline capacity leaning a bit more towards single unit detached on vacant lands.

Mr. Rutzick noted it's closer to scenario three. It was asked is there an opening in September to have MTAC make recommendations beyond just the Sherwood West area? I know that at our MTAC meeting last month there was talk about, as Mr. Reid described, we have following in footsteps that we have the new normal, we have the strong urban market. There was a question mark where there could be another scenario and that was put out there. The City of Hillsboro put in public comment there's an opening for another scenario that falls in the line of strong population growth, but it also leans more towards a larger mix of single detached in addition to middle housing and apartments. I think it might be helpful to get some clarification if there's an opening to talk about another scenario, that question mark scenario, that Metro put out there last month.

Chair Kehe noted a change to the UGR like that would change the analysis and therefore the decision to expand the growth boundary for Sherwood. So that MTAC recommendation about the expansion is related to how the analysis identifies the need. Those are absolutely related. If the needs were for more single-family housing, then Sherwood would either have to provide higher densities of single-family housing in their concept plan or Metro would have to expand the growth boundary in some other location that's not Sherwood.

Mr. Rutzick noted when Metro showed that question mark it acknowledged staff ran through a variety of scenarios, but possible there could be other scenarios, too. What I'm hearing is there's not going to be an opening to assess whether Sherwood's proposal falls within a scenario beyond the four that have been looked at so far. Chair Kehe noted saying that if you want to do that, MTAC will need to make a

new recommendation about the UGB. Mr. Rutzick noted that makes sense. I guess that's an outstanding question for today to help inform for the Sept. 18 meeting. With that question mark being opened up Metro ran work with all these scenarios. There could be a lightly different scenario where there's more population growth than Metro has identified. It's a strong urban market but ultimately there's more single detached than is being shown. It's just a higher number of single detached than the new normal scenario three shows.

Chair Kehe asked where you would propose to MTAC a suggested on what should be done about the UGB to accommodate that additional single family residential need. Are you suggesting an additional expansion area beyond Sherwood? Mr. Rutzick noted I view this Urban Growth Report as obviously Sherwood West, but it's about more than that. As we think about the population forecast scenarios, let's put Sherwood West to the side, then for our region for the coming years all these building blocks that this sets the tone for. It's an acknowledgement there are other scenarios out there that can inform us. Maybe it's less about MTAC making a recommendation that's different, but maybe recommending to MPAC that the final UGR acknowledges there are other scenarios than the four that have been identified, which does not preclude the UGB expansion in 2024 for Sherwood West. There's a bunch of local governments in the coming years that are going to be leaning on these both growth forecast and scenarios to inform planning work we do at the local level.

Mr. Reid added the scenarios, and their draft urban growth report were always intended to be illustrative. Based on conversations we had with our consultant team they were intended to be within the balance of what felt plausible. Our consultant team advised us that a scenario that contemplates high population growth would necessarily mean that population growth is coming from younger migrants to the region who will not have the financial resources to purchase a single unit detached home. This was in the category of yes, you could create that kind of scenario, but they weren't convinced that it was actually informative in any practical sense. Mr. Rutzick noted if we're looking by 20 years out with your people moving to the region, they may choose middle housing or apartments. A number of them will have growing households and for other reasons gravitate towards single detached. When the urban growth report gets finalized, it can call out a variety of scenarios that could play out in the coming 20 years.

Preston Korst asked wouldn't the adjustment or alternative scenario that Dan is suggesting be actionable by a mid-cycle UGB expansion opportunity? Mr. Reid noted it could be. We do have this mid-cycle process that was developed in partnership with a number of the organizations here. We got to some changes to state law that allow this mid-cycle process, essentially three years after these cyclical decisions there. This is intended as a pressure relief valve. If our region in fact is experiencing faster growth than we expected, then a city can come forward and propose one of these mid-cycle expansions with that evidence that was missed in the most recent urban growth report.

Jessica Pelz noted we support expanding the UGB and would like to have a discussion of draft conditions of approval (more detailed) for MPAC consideration at the 9/18 meeting.

Anna Slatinsky noted I'm curious about the identified minimum number of units that would be created as a condition. Obviously previous decisions included those figures and Metro Council need not identify a particular density, but simply identifying a number of units and Sherwood would be able to take a flexible approach in figuring out how to target that figure. I would also add I would encourage Sherwood not to be too worried about middle housing. In the Cooper Mountain community planning process we've found ways to not just meet, but target significantly exceeding Metro's minimum

housing numbers. There are a lot of different ways to do it that can result in great outcomes for community character and all of the things that folks care about. That said, I know there are lots of details involved, and I'm not familiar with the Sherwood area and the plans that have been made so far.

My question is the minimum number of units that Metro Council would be choosing related to that range of needed housing that is being identified by the Urban Growth Report. From what I can see that range is between a thousand and 5,500. I'm curious how much of that informs where that condition would be. There are lots of other incentives for looking at some of the higher ends of the density including potentially eligibility for some infrastructure funds from the state. I would be interested to know from Metro staff's perspective how they are thinking about identifying potential housing targets for this area. Picking a density doesn't actually make a ton of sense because that's not how density really works. You have a variety of density, different kind of development. How are you thinking about identifying what the right number of units is for a particular expansion area?

Mr. Reid noted from the City of Beaverton and other cities experience in the 2018 decision there were conditions approval that essentially said the City of Beaverton, you shall plan for at least this number of homes. And the city has been doing that work along with Hillsboro, King City, Wilsonville to do the comprehensive planning to hit those levels and in many cases exceeding those expectations that were laid out. You are correct that the COO recommendation lays out a range of potential need from a thousand to 5,500 homes. You're also correct that the conclusion about need needs to sync up with the conditions that get applied to the expansion area. That's how we're thinking about it. That need will again reflect that direction from the council about what their expectations are for the minimum number of units to provide in that expansion area.

Ms. Slatinsky noted but from a Metro perspective I'm assuming that staff is going to be formulating potential numbers for that housing target for Sherwood. I'm curious how is staff approaching that. How do you determine what that proposal is for, what the options are that you identified for council. Mr. Reid noted what you've seen in the COO recommendation includes the reference to the planning the City of Sherwood has done. You've heard from the City of Sherwood what they believe their intention was with their concept plan, as well as that table that I shared that showed the range in their concept plan. Right now we're presenting this as these are all within the realm of what the council could decide. We think there's a policy discussion to be had about what those expectations should be.

The slide showing Sherwood West Concept Plan UGB housing capacity gap range was shown again. Ms. Slatinsky noted what I'm hearing is that Metro staff isn't quite sure how they're going to come up with options to consider. Chair Kehe noted Council is going to start work within the range that's in the COO recommendation.

Ms. Slatinsky noted a brief comment about the affordable housing, the suggested for some kind of condition related to affordable housing. I want to note that for Beaverton we've exceeded our own expectations for creating low-income housing in South Cooper Mountain which was two or three UGB cycles ago. The community plan was in 2015 and there is no way we would have been able to see low-income housing built in South Cooper Mountain without the Metro affordable housing bond. I think that the Metro affordable housing bond is an example of something that Metro did really well in terms of providing significant resources that have moved the needle.

I also want to mention there was an article in the Oregonian that came out recently about the dire straits that a number of affordable housing provider organizations are in right now. Without functional

low-income housing organizations to develop and provide that housing in the long term any obligation that's put on local jurisdictions is just meaningless. To be perfectly honest any kind of explicit target or requirement on local jurisdictions through UGB decision will also be meaningless because cities don't fund and develop affordable housing. I think that Metro has an important role to plan in affordable housing. But setting explicit requirements for jurisdictions through the UGB process I do not believe is one of them.

I want to encourage other jurisdictions to consider devoting resources to facilitating affordable housing development. However, it requires \$\$ any way you cut it. I would strongly oppose Metro placing additional financial obligations on cities with UGB decisions in addition to the already very daunting cost of providing infrastructure to new growth areas.

Chair Kehe noted that's a good example of what could fall into that second category of the decision for MTAC to bring to MPAC with the list of your technical recommendations. In this instance about affordable housing and possible conditions, essentially asking that those don't be too prescriptive because cities don't have the resources to build that housing themselves without significant support. Please talk more about some of those ideas which is one way we could separate this decision into the UGB expansion or not recommendation to MPAC and your technical expertise about those condition areas.

Carol Chesarek asked what if we support the expansion but only with certain conditions. In that case separating out those two decisions might be challenging. That's just a comment to think about. When I started working on this stuff years ago, we talked about developable acres when we were talking about residential densities, and I'm not hearing that developable acre's word used now. I'm confused about the different numbers I'm hearing today. I'm hearing from Sherwood 6.2 dwelling units per acre. I'm seeing on the chart the minimum number was 9.2 units per acre. I'm hearing from Ms. McCurdy talk about a state requirement for 17 units per acre. I'm wondering if those are all equivalent numbers with the same kind of underlying basis and calculation, or if there's some difference in how we're calculating what's developable and what's not. If someone could explain that it would be helpful.

Eric Rutledge noted the way to look at the capacity gap range table, the number that you see, 9.2 at the mid-bottom, that is the high end of the density range when no middle housing is provided in what we call neighborhood zones. You see 0% at the top, then all the way down to the bottom and you get to 9.2. If we were to clarify this table, we would add another column that would provide the minimum density with 0% middle housing in addition to the maximum density 0% middle housing. The reason why this table got put together this way is because we were focused on the impacts of HB2001 and that's where the 0%, 10%, 20%, 50% come in. More examples from the table were described.

Addressing comments at the meeting, the density is going to go higher. In my opinion we're probably going to hit about 10 units per acre after the planning is done. Developers take advantage of HB2001 as they're allowed. I want to clarify 6.2 is the minimum lower than recently approved concept plans, but not by a lot. Frog Pond was approved at approximately eight units per acre. So, it's less than 10. Again, what we've seen is that the base density always goes up. What we're saying is we don't want the base, or the minimum density increased. Because that is likely to increase things across the board down the line as we get into full development subdivisions and just straight up building permits as developers take advantage of middle housing with HB2001.

What we'd like to do is stick with the base minimum density 6.2 which is in the concept plan. There doesn't need to be a correction there. We know the 6.2 is supported by the Sherwood community. Based on our conversations with how we approach this with our community, allow the market to take it up further. That's what we're proposing. Based on comments today it seems that the minimum density is going to be much higher than 6.2 in the end. We have a significant concern that if we accept a condition that is higher than what was proposed, that as a lot of political risk and community acceptance risk. The other point around density, we have HB2001, we have SB1537 that passed last year, which allows additional density, basically outright, as long as you show that it increases affordability, or the unit count developers can go now. Regarding HB2000, three from 2019 related to density and affordability.

We are going to have to take specific actions. We are going to be subject to the new housing accountability and production office. All these are state mandates that are going to force the city's hand in a certain direction for affordability and density. The additional Metro conditions that go beyond that just might be that final straw. That's what I'm concerned about. Our community has a lot of concern about preemption both at the state level and the regional level. We want to be a good partner. We're proposing a minimum of about 2100 units. We think we can deliver those quickly, and likely the density will be much higher. But all the imposed conditions threaten that. The main thing is that it has been vetted and approved by the Sherwood community.

Ms. McCurdy noted the 17 units per acre referred to the Governor's one time expansion for residential. In SB1537 if a city in the Metro area uses that to expand the urban growth boundary for residential, it's 17 units per acre. Chair Kehe added that's not this process but something we can refer to as something recent. That was coming from the Governor's office. Sherwood is not asking for that one time expansion so they're not asking for that. Then I think your last question was could MTAC recommend to MPAC that recommends to Metro Council an expansion of the growth boundary but with some specific conditions. Yes, you absolutely can, but you'll need to have a vote of everybody that agrees with that, or we'll have a majority vote that agrees with that. There is some negotiation that has to happen in this group to try to get to what those would be.

Ms. Chesarek noted I'm a little frustrated because I feel like we're sliding backwards in the density housing space at a time when we need more density for climate reasons and also for walkable communities. I remember hearing a report some years ago that stated 12 or 15 units per acre is the minimum number you have to get to for supporting a truly walkable community that has enough density to support the corner coffee shop, the bakery, those local businesses that you can actually walk to as opposed to getting in your car and driving. We know there's a need for more housing in the region. So, to be walking back from 30 years ago the minimum requirement was 10 units per developable acre, I feel like we're sliding backwards in terms of the requirements and the minimums and we're not going in the right direction.

Gery Keck spoke of building off what Ms. Chesarek talked about. I see for as far as walkable communities the chart showed two different averages. One was the density average, and one was with open space, and the open space density was lower. My two cents is that if we're going to be making these communities with denser housing, we need the infrastructure to support those to be livable, which open space is one of the items. My question is the 9.2 to 16.4 that the COO's recommending. Does that take in consideration open space to help these communities become livable. Mr. Reid noted noticing in some table that described their density assumptions, some notes about open space and how those factored in.

Mr. Rutledge noted the Metro definition as far as I understand includes open space as part of the density calculation. So, the 9.2 would be the correct based on Metro and the City of Sherwood definitions. Chair Kehe noted they absolutely have a lot of open space worked into their concept plan. It's in how you measure density, which again, that most of the time Metro Council conditions have included number of units and not density. Density tends to get into these questions of what you use as a denominator, whether you're including roads or parks, or it can get a little complicated in its calculation. But that's what the table was showing, just a different way of looking at the calculation, one set of numbers of units, but changing the denominator of what's considered in the buildable land.

Rachel Loftin wanted to address what was being noted about affordable housing and how that's paid for and how that functions. While I understand the cities don't want to have CET prescriptive path to get affordable housing, we absolutely know that we need it. Those cities aren't the primary funding source. They are what actually kicks off this whole process. So, when we're going to the state and we're asking for tax credits, the only way that we get that funding source is if we can show significant community support from that city in order to get those initial awards.

On top of that we also have a major crisis within the entire United States that we don't have enough funding for these Litech properties. We're out of PABs across most the United States right now. We are going to depend on the local funding sources to make affordable housing happen. So, we need cities. Beaverton has done an amazing job about bringing affordable housing into this area. For instance, we're working on the senior housing at Fifth Property now. The reason we were able to make that happen and able to get a commitment for Litech is because Beaverton set aside a property that they would want converted into affordable housing. We need jurisdictions to commit to that across the board. If you want affordable housing, you can't just hope that Metro is going to come up with another funding source or that the state is going to step in. You need to help plan for that and make it happen.

Chair Kehe appreciated the perspective. This is making my point on why I think it could be helpful for us to make a list of these considerations for our September meeting. You want to make sure to forward to MPAC your expertise about some of these topic areas because you bring different perspectives and don't have to agree. We just have to bring all those perspectives to MPAC and Metro Council following that to hear and understand those perspectives.

When asked to define the acronyms used, Ms. Loftin noted litech is the low-income housing tax credit. It is the way that 90% of affordable housing projects are funded. We get tax credits from the federal government. We sell them to private investors, and that is what gives us the money that we need to build the housing. Those are funded through private activity bonds, PABs, which are awarded across the United States based on the size of your area. But what we're seeing is that with construction costs and insurance and all the other issues right now, there's not enough funding coming in to build the amount of affordable housing that is needed. So, we're at a little bit of a holding pattern even here within Oregon. The Oregon Housing and Community Services for the first time froze their 4% OHCS tax. They are the ones who distribute the funding for low-income housing tax credits. And they've stopped accepting application because there is not enough money to go around right now.

Mary Kyle McCurdy asked which Metro area cities have adopted a CET for affordable housing? Given that UGR says @ 80% of future households cannot afford median home price, we need housing numbers and densities that support market provided moderate income housing and affordable housing. It is not reasonable to expect Metro to always provide an affordability bond. Anna Slatinsky noted state law limits CET to a maximum of 1% of the permit value on residential construction. In

Beaverton, that would yield less than \$1M per year. Other significant funding sources are needed. Ms. McCurdy added the CET issue addresses the point raised by CPAH about need for cities to step up for affordable housing as well; it takes many pieces to put in place to support affordable housing.

Fiona Lyon wanted to echo comments from Ms. McCurdy and Ms. Chesarek on the density piece. I think that's a pretty big game changer for this process. When I google six units per acre it's an eye-opening visual to see what that means in real life. It looks like there was a maximum density, the 16.4 referenced as one of the conditions of approval. I know this is within that capacity table that was in Sherwood's concept plan. But I guess my question is why Metro's recommendation would include a max density. Echoing what I saw in the public comments on traffic concerns and the lack of transit service here. I would tie the pieces together that in order to get good transit service you do need to provide density. I would encourage those two pieces. I'm not a transit planner but I can definitely lean on my colleagues to share some of those density figures for how to best position the community to receive future transit investments.

I would be helpful for me to understand more about the assessment that was done to make sure that we turned over every stone within the UGB. I don't know if there's a one-pager on that process or all the things we looked at. There's a variety of things that come to mind. Looking at the Senate Bill, was that a consideration for looking at how to add density within the Urban Growth Boundary? Looking at underutilized parking throughout our region? It may be too late in the process to fold these things in, but I would like to maybe brainstorm for the next round, are there more creative things that we can be doing to make sure we're maximizing everything that we already have, just as a point of process.

It feels like so many of these expansion areas carry over large arterials that used to be farmland that don't quite get the investments of pedestrian and bike improvements of actual protected crossings in any regular interval. It remains a huge barrier for a lot of our region to be able to create walkable communities. If there's any way that we can bridge that gap in a more creative way to help trigger that investment. I feel that it's an outstanding need that we keep seeing throughout the region.

Mr. Reid thanks Ms. Lyon for the comments about the need for density to support transit provision. That is absolutely our senses as well. It'd be helpful to hear from TriMet what some of these threshold numbers may be to ensure that we can provide those options. Thank you for your comments about ways that we can use land more efficiently. The urban growth report process is a snapshot of what we think is today, but I think your point is a good one about are there other efforts we could undertake to think about using land more efficiently. I think probably a lot of my colleagues from cities and counties have some good ideas about that based on their local experience. Chair Kehe added the update to the region's vision and the 2040 growth concept and framework plan will be an opportunity to form understanding for efficient use of land inside the growth boundary. The scoping is going on now. Information on this will be coming to the committee.

Joseph Edge noted Ms. Lyon and Ms. Chesarek bring up great points about the thresholds required to support transit, walkable neighborhoods, neighborhood commercial, etc. We've heard from other suburban jurisdictions about wanting TriMet to provide better service to certain of their communities. As planners, we should be familiar with these thresholds, and these should be leveraged to set expectations for jurisdictions that are asking for additional transit service. We should invite TriMet planners to present to us on the thresholds required to support different intensities of transit service (local, frequent, high capacity) so we can have a shared understanding of this data for our technical recommendations.

Kevin Cook noted it seems appropriate to require conditions for affordable housing even while recognizing the challenges around funding. Vee Paykar noted also appropriate to continue talking about transportation - goal 14, states UGBs coming from cities over 2,500 in population will need to have a transportation system plan including encouraging efficient use of land to provide livable walkable and densely built communities.

Anna Slatinsky noted many of the comments here about local toolkits for affordable housing and transportation planning are already in place as a state mandate - Housing Production Strategies, and community plan requirements for planning goal consistency.

Nina Carlson noted I respect that we need walkable bikeable neighborhoods and all the amenities but every time we do that our cities are already struggling mightily with their budgets and requiring all these additional things that are going to make it that less likely for cities to be able to do these things. I'd love to have all the bells and whistles but right now we need to focus on housing and getting more people housed. Sometimes that means we don't get to have all the niceties. Before we weigh in on this, I think people need to drive around and understand what that land out there looks like.

Preston Korst noted I want to put into the conversation that whatever recommendations we do decide in the future meetings is going to set a precedent for the next urban growth boundaries, what we do in the future. I believe the truth is that the more prescriptive that we are in these urban growth boundary recommendations it means that it will be less likely that future cities in the future iterations of urban growth boundaries are willing to go after these urban growth boundaries because they feel either their hands will be tied or that whatever they do propose will get changed so much or will be killed through political in-fighting, essentially due to the fact that there are so many additional burdens on top of the years and hundreds of thousands of dollars that have been spent towards creating what a plan they think is appropriate for their community. Again, I keep referencing King City and North Plains. I want to be respectful to the political leaders that have taken the risk to go after the current urban growth boundaries. What we're deciding now will not impact just this potential development in community, but it may end up having detrimental effects and preventing other cities from wanting to do the same.

Glen Bolen noted I think that there's a longstanding history here of having conditions attached to the urban growth expansion areas. I think they've helped lead to better outcomes. One of the notes that I've got for this particular case is we're looking at job lands, large site industrial specifically. I agree with the statement about some protections for those large sites. There are some examples out there like North Hillsboro that has done some of that minimizing the number of restaurants and things that can go in there just to serve people, but not to be a draw itself. I also looked through the city's code, and their current industrial zones have a small minimum acreage size, so that would have to be updated.

And there's conditional uses allowed like recreation that are heavy trip generating low wage. I think we've seen this happen in the region where we lose some nice industrial sites to recreational uses for a long time and are not going to be real base employment jobs. From a transportation perspective they are higher trip generating. I'd like to see those protections in place. I agree with the statement that having a production number that matches the identified need is a reasonable approach. Numbers are just numbers. There are different ways to do development to make all kinds of things work. It really comes down to creativity.

Tom Armstrong noted I wanted to agree with Mr. Bolen's comments around the industrial land protections. Given that Metro has identified a need for large lot industrial, I think it is wholly

appropriate that Metro designate this as regionally significant industrial area. That would adopt the Title IV protections that eliminate the recreation use and provide the protection so that we don't see leakage with things like indoor go-karts, and Topgolf, and other things that belong more in the hospitality commercial area of their concept plan.

Chair Kehe asked for the Next Steps slide to be shown again. I'm going to go back to what I laid out in terms of decision-making next month and my suggestions as your Chair. I hope that this conversation has gotten you thinking about it and making you curious to find out more information. Ms. Carlson suggested going out and driving the Sherwood West area. You can look at the Sherwood West concept plan. It's easy to find online. You can look at Sherwood's proposal, it's on Metro's website as well.

I wanted to reflect back on this and make sure you're all ready for what's ahead. Ultimately, most of the time MTAC has recommended something in line essentially reflecting off the COO recommendation. That's what I'm suggesting here, is that you take the COO recommendation and then work from that, and that you either support it or you reject it. You can support it with conditions as was noted. But you are a very big group and getting a majority of this group means you need to come to something that will work for everyone. That will be the work of September.

I encourage you to work with your colleagues to come up with proposals that you're ready to present at that September 18 meeting. This is similar to the last big decision with the Regional Transportation Plan. We walked through the recommendation and folks had suggestions, we worked on those together and voted on them. Ultimately, this is forwarded to MPAC. I will review notes of the meeting with your initial thoughts shared and bring some of that in a list to you as a starting point for this list of topic areas. But I hope that you'll come with more of those. It's very possible that I may ask for a straw poll on the first question about this recommendation to expand the UGB just to get us started and see where everybody is at. We might start the meeting that way. I also want to hear any proposals that you've brought with you. We'll go from there at the meeting on the 18th.

Nina Carlson noted I see the growth report in two separate sections, the residential and the industrial. Do we have to approve it all, such as make recommendations on the whole thing total? Chair Kehe noted in terms of expansion of the UGB, what's on the table right now is a full expansion for Sherwood West. That includes their employment areas and their housing areas. That's what's on the table. That's what I'm asking you to respond to. Could you respond to something that's separate? You could bring in part but not the other, yes. That's an adjustment that you could suggest. With bringing this information in front of MPAC it can help inform their decision. As a technical group your role is to provide your technical expertise to MPAC. I think by discussing these topic areas and your thoughts about potential conditions it can be helpful.

Adjournment

There being no further business, meeting was adjourned by Chair Kehe at 11:03 a.m.
Respectfully submitted,
Marie Miller, MTAC Recorder

Attachments to the Public Record, MTAC meeting August 28, 2024

Item	DOCUMENT TYPE	DOCUMENT DATE	DOCUMENT DESCRIPTION	DOCUMENT No.
1	Agenda	8/28/2024	8/28/2024 MTAC Meeting Agenda	082824M-01
2	MTAC Work Program	8/20/2024	MTAC Work Program as of 8/20/2024	082824M-02
3	Draft minutes	7/17/2024	Draft minutes from MTAC July 17, 2024 meeting	082824M-03
4	Draft Report	8/26/2024	2024 Urban Growth Management Decision: Metro Chief Operating Officer/Staff Recommendations	082824M-04
5	Testimony Letter	8/27/2024	Testimony Letter, Urban Growth Decision, City of Sherwood	082824M-05
6	Testimony Letter	8/28/2024	Testimony Letter, Urban Growth Decision, Johnson Economics	082824M-06
7	Presentation	8/28/2024	Urban growth management: COO/Staff Recommendations	082824M-07

Memo



Metro

600 NE Grand Ave.
Portland, OR 97232-2736

Date: September 10, 2024
To: Metro Technical Advisory Committee members and alternates
From: Ted Reid, Principal Regional Planner
Subject: 2024 urban growth management decision: MTAC recommendations to MPAC

Background

The Metro Technical Advisory Committee (MTAC) has discussed aspects of the pending 2024 urban growth management decision at many of its meetings for over the past year. These discussions were intended to provide MTAC with the background necessary to make recommendations to the Metro Policy Advisory Committee (MPAC) at the September 18, 2024 MTAC meeting.

Metro Chief Operating Officer/staff recommendations

The recently released Metro Chief Operating Officer/staff recommendations propose that there is a regional need for an urban growth boundary (UGB) expansion to provide land for housing and jobs and that the need should be addressed by adding the Sherwood West urban reserve to the UGB. Staff also recommend that several topics should be addressed in conditions of approval to guide subsequent city planning for the expansion area, including:

- The minimum number of homes for which to plan
- Housing affordability
- Creation and protection of large industrial sites
- Broad-based public engagement, including consultation with Tribes

In addition to these recommendations specific to Sherwood West, staff has recommended the following efforts for Metro:

- Based on advice from DLCD, revise the industrial land inventory in the 2024 Urban Growth Report using a 10% slope threshold.
- Undertake a process to consider amendments to the Urban Growth Management Functional Plan to require:
 - Equity assessments when cities undertake concept plans for urban reserves.
 - Consultation with Tribes when cities undertake concept plans and comprehensive planning for new urban areas.
- Undertake an update of the region's Future Vision and 2040 Growth Concept.

Advice sought from MTAC to MPAC

- Do you agree with the COO recommendation that there is a need to add Sherwood West to the UGB?
- Do you have technical advice for MPAC on the categories of conditions in the COO recommendation?
 - Recommendations for Metro?
 - Conditions of approval for Sherwood?



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.

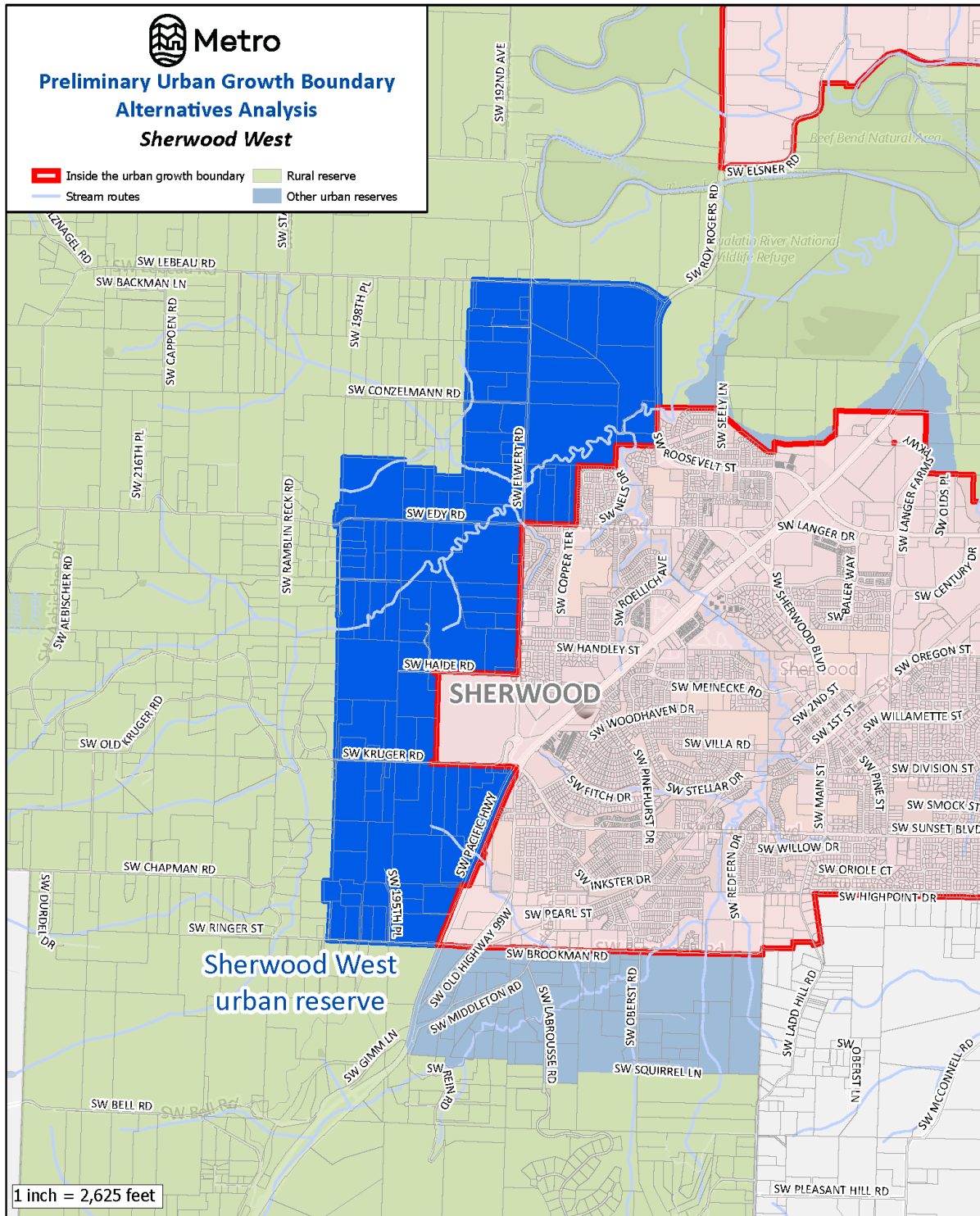
CITY OF SHERWOOD READINESS

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 information on this map was derived from digital databases on Metro's GIS. Care was taken in the creation of this map. Metro cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product.

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 jobs¹ 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.² 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

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

² 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
Total UGB capacity (rounded)	56,500	36,700	82,300	175,500
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 nd and vacation rentals)	26,953
Total current and future UGB housing need (2024-2044, rounded)	176,500 to 180,800

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 nd 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
Total Housing Need (rounded)	58,600	36,800	81,100	176,500
Needed housing mix	33%	21%	46%	100%
Total UGB capacity (rounded)	56,500	36,700	82,300	175,500
Deficits (rounded)	(2,200)	(100)	1,200	(1,000)

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 nd 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
Total Housing Need (rounded)	60,300	37,700	82,800	180,800
Needed housing mix	33%	21%	46%	100%
Total UGB capacity (rounded)	56,500	36,700	82,300	175,500
Deficits (rounded)	(3,800)	(1,000)	(500)	(5,300)

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.

In a metropolitan area as big as Portland, we can do a lot of things better together. Join us to help the region prepare for a happy, healthy future.

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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

September 16, 2024

Council President
Kim Young

RE: Sherwood West Housing Estimates 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

Assistant City Manager
Kristen Switzer

The Sherwood West Concept Plan is the result of a 2-year planning process about growth alternatives for our community that included extensive input from community members, property owners, business owners, and public service providers. The resulting Concept Plan proposes a complete community with a range of housing and employment types connected by system of parks, trails, and open space. The Sherwood West Concept Plan demonstrates how Metro's Urban Reserve Area 5B can be incorporated into the fabric of the city and region in a manner that reflects the strong sense of community and livable neighborhoods our region is known for.

The City's proposal received letters of support from key public agencies and service providers including: Washington County, Clean Water Services, TriMet, Tualatin Valley Fire & Rescue, Sherwood School District, and Port of Portland. The letters of support demonstrate that public services can be provided to Sherwood West, and that the expansion area can support housing and job production that our region desperately needs.

The Portland region is experiencing a housing shortage crisis. The severe shortage of housing has increased prices and reduced affordability for all metro residents. Between 2017 and 2022, our region experienced a 50.4% increase in homelessness. The Sherwood West Concept Plan will help address this shortage by planning for 3,117 new residential units (9.2 units per net acre) including mid-rise apartments, missing middle housing, and single-family attached and detached residences. The Sherwood West Citizens Advisory Committee (CAC) provided direct and detailed input on the housing plan for Sherwood West to meet the needs of Sherwood and the Metro region. The housing plan includes:

- Zoned Density Range 6.3 to 9.2 units per net acre
- Overall Residential Density of 9.2 units per net acre
 - This is the estimated density at full build out of Sherwood West
- Total Housing Estimate of 3,117 new units
- Minimum of 43% middle and multi-family units
- Additional density permitted pursuant to HB 2001 (2019)
- Additional density permitted pursuant to SB 1537 (2024)

While the overall residential density is estimated at 9.2 units per acre, the final resulting density in Sherwood West is likely to be higher due to the allowances of HB 2001 (2019) and SB 1537 (2024).

The City of Sherwood supports a recommendation from the Metro Technical Advisory Committee for Sherwood West to accommodate 9.2 units per acre or 3,117 units.

Sincerely,

Eric Rutledge
Community Development Director
City of Sherwood

From: [Jeff Roberts](#)
To: [Marie Miller](#); [Eryn Kehe](#)
Subject: [External sender]Sherwood West Support
Date: Tuesday, September 17, 2024 2:49:45 PM
Attachments: [image001.jpg](#)

CAUTION: This email originated from an **External source**. Do not open links or attachments unless you know the content is safe.

Hello Marie and Eryn,

Thank you for serving in your capacity on MTAC. Usually a thankless job, but I know the benefits are long term and I appreciate your efforts.

I work in the land development/home building side of real estate and wanted to share a few thoughts, all in support of Sherwood West.

Oh, and I also have lived in the City of Sherwood, with my family, for just over 20 years now.

- We are at a critical point in Oregon, and especially Sherwood since it is the only city seeking expansion, for housing and housing options. We need housing, in all its forms, and we need it soon.
 - Sherwood is on the border of Metro Region, and thus one of the gateways to agriculture, there should be consideration for the density requirements, since it is not as urban as areas closer to Portland.
- Sherwood wants to stay true to its roots and maintain the small town feel without resorting to high-rise and very dense development.
 - As you know, the Concept Plans estimates the average of 9.2 units per net acre with 43% middle and multifamily units and that is before applying options available through HB 2001 and SB 1537.
- Being in concept a small town, we want to preserve that feel, and with higher density counts than already negotiated, could very easily lose our identity and the intimate feel we have so carefully nurtured and protected.
 - I ask you to support the Concept Plan as-is, and do not make major changes or requests that would threaten our self-determination and vision for our community and local culture.

Thank you for hearing us in the industry and especially who have vested interest in the community!

Regards,

Jeff P. Roberts

Director of Land Acquisitions, Broker

Crandall Group

John L. Scott Real Estate

M: 503.349.5279

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Metro

Urban growth management: MTAC recommendations

MTAC

September 18, 2024

	July	August	September	October	November	December
Council	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
MPAC			Discuss COO/Staff recommendation; <i>Recommendation to Council</i>			
MTAC			Discuss COO/Staff recommendation; <i>Recommendation to MPAC</i>			
CORE			Discuss COO/Staff recommendation; <i>Recommendation to Council</i>			

Vote & Discussion

- Provide recommendation to MPAC
 - Vote:** Do you agree with recommendation to expand the UGB to include the Sherwood West urban reserve?
 - Discuss:** List of thoughts to share with MPAC on the topic areas for potential conditions of approval



**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

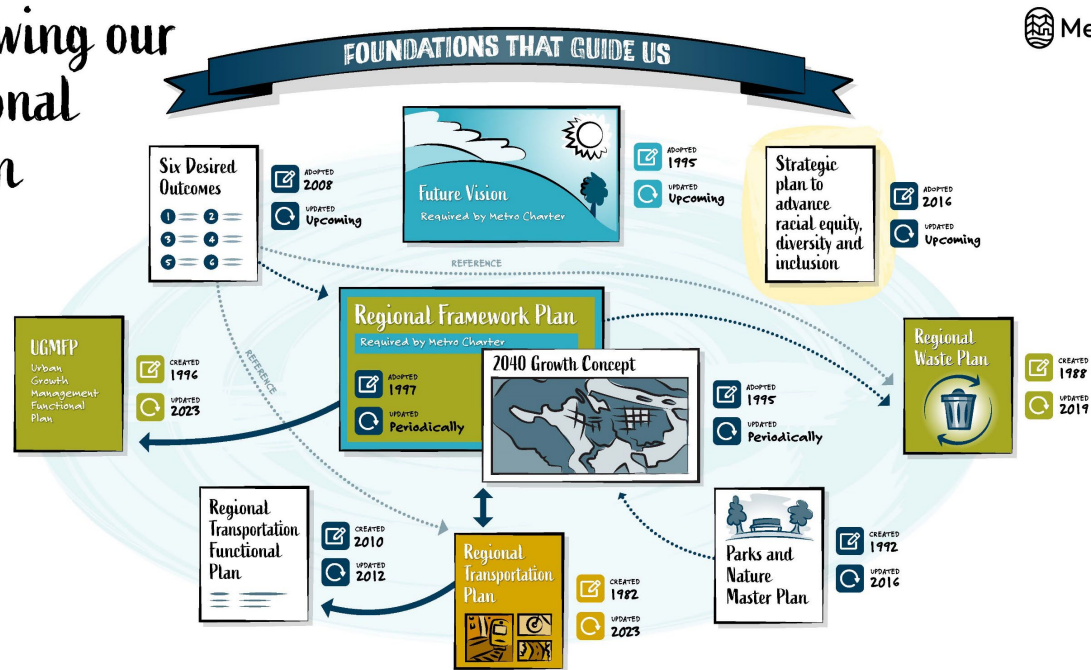
**Additional
recommendations
for Metro**

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

- Identify possible requirements for 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

Recap: Discussion from last MTAC meeting

MTAC comments so far: Sherwood West conditions

- General feedback
 - Concerns about prescriptive conditions vs. flexibility
 - Need to support local political leadership
 - Past conditions on expansion areas have resulted in better outcomes
- Industrial land
 - Agreement with conditions about some protections for large sites

MTAC comments so far: Sherwood West conditions

- Amount of housing
 - Important to facilitate development of housing
 - Identify a minimum number of housing units but allow for Sherwood to meet the requirement with flexibility
 - Proposed minimum density of 6.3 du/na is lower than past expansion areas – concern about sliding backwards, impacts to providing transit in the area
 - Open space needed to support higher densities
 - Want efficient land use to create livable, walkable community

MTAC comments so far: Sherwood West conditions

- Housing affordability
 - Regional need for housing affordable to households making 120% of AMI or below - we need housing requirements that support market-provided moderate-income housing
 - Avoid prescriptive requirements – cities don't have their own resources to build affordable housing
 - Cities are a critical partner to build affordable housing in their community – their support and leadership is necessary to acquire State funding and tax credits

MTAC comments so far: Metro recommendations

- Revise slope threshold for buildable employment land from 10% to 7%
- Consider additional housing demand scenarios beyond the three presented in the UGR

Questions?

Vote & Discussion

- Provide recommendation to MPAC
 - Vote:** Agree with recommendation to expand the UGB to include the Sherwood West urban reserve?
 - Discuss:** List of thoughts to share with MPAC on the topic areas for potential conditions of approval

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Proposed recommendation for Metro

Metro agrees to create and host or commit to having Senior staff participate in a task force ending no later than mid-2025 with a report back to the Council highlighting opportunities for creating growth and capacity models that are more reflective of market realities. The goal will be to work with local jurisdictions and private sector partners to address the employment lands challenges identified through the UGR process including but not limited to slope and lot size.