



# Metro | Agenda

Meeting: Metro Technical Advisory Committee  
 Date: Wednesday, May 20, 2015  
 Time: 10:00 a.m. to Noon  
 Place: Council Chamber

Time	Agenda Item	Action Requested	Presenter(s)	Materials
10:00 a.m.	<b>CALL TO ORDER</b>  <b>Updates from the Chair</b>		John Williams, Chair	
	<b>Citizen Communications to MTAC</b>		All	
45 min.	<b>Metro Equity Strategy and Action Plan</b>  <i>Purpose: Inform MTAC members about the process to finalize the Equity and Strategy Action Plan; inform MTAC about opportunities for partners to shape the process; request input on the timeline and process</i>	Information / Discussion	Juan Carlos Ocaña-Chú, Metro	
11:00 a.m.	<b>Urban Growth Management Decision:</b> Likelihood of development in urban centers such as Portland; update on development and planning activities in Hillsboro  <i>Purpose: Provide MTAC with an update on growth management topics that MPAC and the Metro Council identified for further discussion</i>	Information / Discussion	Ted Reid, Metro; Tom Armstrong, Portland; Colin Cooper, Hillsboro; Jeannine Rustad, Hillsboro	
Noon	<b>Adjourn</b>			

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## 2015 MTAC Tentative Agendas

<b>June 3</b> <ul style="list-style-type: none"> <li>• 2018 Regional Transportation Plan Update Kick-off</li> <li>• Regional Transit Plan and coordination with TriMet Service Enhancement Plans and SMART Transit Master Plan</li> <li>• AARP Livability Index</li> </ul>	<b>June 17</b> <ul style="list-style-type: none"> <li>• Urban Growth Management Decision: Planning within a range forecast</li> </ul>
<b>July 1</b>	<b>July 15</b>
<b>August 5</b>	<b>August 19</b>
<b>September 2</b>	<b>September 16</b> <ul style="list-style-type: none"> <li>• 2018 Regional Transportation Plan Update: Review draft work plan and engagement strategy</li> <li>• Regional Transit Plan: Review draft Regional Transit Vision</li> <li>• Urban Growth Management Decision: Review COO recommendation</li> <li>• Metro Equity Strategy</li> </ul>
<b>October 7</b>	<b>October 21</b>
<b>November 4</b>	<b>November 18</b>
<b>December 2</b>	<b>December 16</b>

**Parking Lot:**

- May 20: Lunch & Learn Series – Lents Five-Year Action Plan (following MTAC in Council Chamber)
- Legislative Update
- Travel Options topic plan
- Tigard Tree Grove presentation
- Willamette Falls tour



Date: Friday, March 20, 2015  
To: Martha Bennett, Chief Operating Officer, Metro  
From: The Equity Strategy Advisory Committee  
Subject: Comments and recommendations on the “Equity Baseline Report: A Framework for Regional Equity”  
Cc: Metro Equity Strategy staff

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The Equity Strategy Advisory Committee (ESAC) has completed a thorough review of the “Equity Baseline Report: A Framework for Regional Equity” (report) produced by the six community-based organizations (CBOs) under contract with Metro. The report identified the most critical inequities and disparities experienced by people within Metro’s desired outcomes for the region. The report is intended to be an analytical framework for Metro to prioritize its Equity Strategy and Action Plan. Collectively, we would like to offer you our own reflections on the report and our recommendations moving forward.

Overall, we are pleased with the quality and substance of the report which makes a significant contribution to Metro’s understanding of regional equity and towards the development of an equity strategy itself. The workgroup of CBO representatives who authored this report should be commended for their contributions to identifying and framing the most significant areas of concern for regional equity, the historical context to understand them, and their potential applicability for action.

Here are ESAC’s recommendations on the report and our ideas for moving forward with the development of the Equity Strategy and Action Plan:

1. **Equity+5 framework:** ESAC agrees that the reframing of Metro’s six desired outcomes into the “Equity+5” paradigm is a necessary first step in building a meaningful equity strategy. The integration of equity within the other five desired outcomes would sharpen Metro’s understanding of the intersectionality and complexity of equity. It would also help Metro figure out how to measure its progress toward achieving equity within vibrant communities, economic prosperity, safe and reliable transportation, leadership on climate change, and clean air and water over time.

**Recommended action:** *Metro should adopt the “Equity+5” paradigm to institutionalize equity across the agency’s policies, programs and services.*

2. **Racial equity and economic justice lens:** ESAC agrees that Metro should develop a racial and economic justice lens as part of its equity analysis and strategy. The lens would acknowledge that the most significant inequities and disparities that exist in the region disproportionately impact people of color and low income people. This approach would take into account the historical significance of these inequities, the changing demographics of today and the urgency for prompt action to prevent the worsening of disparities. Utilizing such a lens would not necessarily imply an exclusive focus on certain community groups at the expense of others.

Ultimately, an intentional focus on the most impacted communities would benefit the entire population and increase the competitiveness of the region as a whole.

**Recommended action:** *Metro should adopt a racial and economic justice lens and should consistently apply it to benefits and burdens analyses for policies, programs and services.*

- 3. 10-Indicator framework:** ESAC agrees that the workgroup identified cogent indicator categories and definitions which, except for the need for further refinement in some of them, provide a useful context to measure equity in the region. We concur with the workgroup's assertion that these 10 equity indicator areas highlight the interrelated nature of equity. While the report does not contain formal equity baseline data, it suggests how measurements for regional equity should be organized. This is perhaps the most enduring outcome of the workgroup's contribution.

**Recommended action:** *Metro should adopt and proactively use the 10-Indicator framework in its approach to advancing, promoting and measuring regional equity over time.*

- 4. Additional data collection needs:** ESAC agrees that existing data about regional equity is both abundant and incomplete and that Metro should create a systematic approach to developing equity measures and supporting data collection efforts when appropriate. ESAC acknowledges the workgroup's conclusions that given the sheer volume of regional data it was impractical to select datapoints as a means to define measures of regional equity. For this reason an equity baseline report was not produced as originally envisioned at this stage of the process, but might be necessary to do so as part of its equity strategy development and assessment.

**Recommended action:** *Metro should invest in efforts to improve data collection in areas over which it has authority, and collaborate with other efforts that support this goal.*

- 5. Community-led equity "audit" of Metro's departments:** ESAC values the need for accountability and community involvement in the creation of the Equity Strategy and Action Plan for Metro. For this we believe that an "assessment" of Metro's programs and policies in areas where Metro can have an impact in regional inequities and disparities should be conducted in tandem between community stakeholders and Metro staff, coordinated through the Equity Strategy program. ESAC also urges Metro Council and staff leadership to reaffirm and restate their commitment to advancing equity and improving equity outcomes through the development and adoption of the Equity Strategy and Action Plan.

**Recommended action:** *Metro should work with community-based organizations and strategic stakeholders to conduct an in-depth "assessment" of Metro's policies, programs, services and authority in areas where Metro can have an impact in addressing regional inequities and disparities. Doing so will build trust, accountability and transparency in the process of creating the Equity Strategy and Action Plan with wide community support.*

- 6. Suggested approach for strategy development:** ESAC agrees with the CBOs' suggestions to identify short, mid and long-term activities and tangible strategies that provide a roadmap for action. In order to demonstrate its commitment to advancing equity in the region, Metro should

act on the areas over which it has immediate control, establishing a track record of "early wins" that increases its credibility and visibility to advance other more profound initiatives for the medium- and long-term.

**Recommended action:** *Metro should identify clear actions for immediate application of equity in the short term as it develops high-impact, enduring strategies for the medium and long term to be included in the Equity Strategy and Action Plan.*

#### 7. Other observations:

- The Equity Strategy and Action Plan should take into consideration a broader definition of "community" that represents the entire region. The expanded definition, in addition to communities of color and low income people, should also include stakeholders from the disability, aging, youth, business and philanthropy communities as well as local government jurisdictions.
- Metro should consider the prompt development and application of a disparate impact analysis to all its decision-making mechanisms, in order to complement and support the Equity Strategy and Action Plan development.
- While the framework report was generally very well written, ESAC was concerned about some of the language in the report and requested some changes from the CBO work group; due to logistical issues, they declined to alter the report. ESAC would like to register the following areas of concern:
  - The title of the report should be "Equity Framework Report" and not include reference to "Part 1".
  - The term "audit" (p.75) connotes a formal process that is not appropriate in this instance. ESAC recommends the term "community-led assessment".
  - The headline "Oregon: A White Homeland" (p. 21) intends to convey that the white settlers who founded the state of Oregon consciously sought to excluded other racial and ethnic groups from living in it. However, that headline is offensive to other racial and ethnic groups, especially to Native Americans, and it should be changed.
  - The framework report did a good job of documenting the historic discrimination that has resulted in disparities and suffering among communities of color; however, it failed to capture and celebrate the strength and resilience of these same communities. ESAC recommends using more balanced, strength-based language to refer to these communities in subsequent communication.

We commend Metro for involving the community, represented in the voices of the community-based organizations that produced the report, early in the process of developing its Equity Strategy and Action Plan which adds significant value to the understanding and advancement of equity in the region.

Sincerely,

Carl Talton  
ESAC Chair



Date: April 14, 2015  
To: Patty Unfred, DEI Program Director; Juan Carlos Ocaña-Chú, Equity Strategy Program Manager  
From: Martha Bennett, Metro Chief Operating Officer  
Subject: Direction for creation of options for the adoption of the Equity Strategy and Action Plan  
Cc: Equity Strategy Advisory Committee, Scott Robinson, DEI Program team

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Metro strives to preserve and enhance the region's quality of life for current and future generations. Our region is stronger when everyone benefits from good jobs, affordable housing, safe and reliable transportation, clean air and water, and sustainable resources. Despite many successes over the decades, many communities of color and people with low income are still being left behind, preventing them and the region from realizing our collective full potential.

In order to address existing disparities, in 2010 the Metro Council adopted equity as one of the region's six desired outcomes. In 2011 the agency started the Equity Strategy Program, with the objective of creating an organizing framework to help Metro consistently incorporate equity into policy and decision-making. The most significant program accomplishments to date include the creation of the Equity Strategy Advisory Committee ("ESAC"), a group of external stakeholders who provide input to Metro staff and to me regarding the implementation of the equity strategy, the completion of the Equity Inventory Report, which catalogued the existing equity-related activities throughout Metro's departments, and the release of the Equity Framework Report, which was commissioned by Metro and prepared by six community-based organizations (CBOs). The report was presented to ESAC, who studied and debated the report, and prepared their own recommendations for me.

After carefully considering the report and the memo containing ESAC's recommendations, I am asking staff to start the development of options for the Equity Strategy and Action Plan, which will be presented to Metro Council for consideration and adoption. As you undertake this work, I want to provide the following directions, which directly relate and closely align with ESAC's and the report's recommendations:

1. **Launch efforts to reframe the desired regional outcomes:** The report includes the suggestion of reframing the six desired regional outcomes as Equity+5. This is an important contribution to the understanding of how equity connects to Metro's mission and goals. It is a great starting point for Metro to consider how to incorporate social equity dimensions into all the other desired regional outcomes in addition to the existing dimension of equal geographic distribution of benefits and burdens. The reframing of the regional desired outcomes needs to be a collaborative process that involves the Council Office and other Metro departments' staff, and should take place in parallel with the Equity Strategy and Action Plan development. The product of this reframing exercise needs to be vetted with Metro's policy committees and external stakeholders prior to being submitted to Metro Council for consideration.
2. **Use the 10-indicator framework:** The 10 equity indicators are a useful organizing principle for Metro to understand and measure equity. The indicators highlight the interrelated nature of

equity, and provide a comprehensive context for Metro's work in advancing equity across the region. The report highlights how communities of color and people with low incomes consistently experience unequal outcomes in all 10 indicator categories. Metro's Equity Strategy and Action Plan will identify contributions to advance equity in the region through the agency's programs and services, according to their alignment with the agency's mission, and related to a subset of the 10 indicators framework.

- 3. Develop a long-term Equity Strategy and a mid- and short-term Action Plan:** Metro recognizes the need to meaningfully increase equity in program areas in which the agency is one among a number of actors or plays a convening role. A long-term Equity Strategy will identify these program areas and create the process and the space to have long-term, region-wide dialogue and debate with all the partner cities and counties, and with private, public and non-profit sector entities, to achieve increased equity.

Parallel to the Equity Strategy, staff will create an Action Plan to advance equity in program areas in which Metro has greater authority and control. The Action Plan will identify those program areas where Metro can take short- and mid-term actions to meaningfully advance equity. Both the Equity Strategy and the Action Plan will include decision-making tools and direction for deliberate and comprehensive implementation, and will identify and clarify consistent equity-related language to use across the agency.

The development of the Equity Strategy and Action Plan is consistent with another organizing principle identified in the report and recommended by ESAC: developing short-term, mid-term, and long-term outcomes and actions to advance equity throughout the region.

- 4. Create tools for incorporating equity into Metro's decisions:** The Equity Strategy and the Action Plan need to include a set of decision-making tools that facilitate the incorporation of equity into the agency's activities. ESAC and the CBOs recommended using a racial and economic justice lens, focused on improving the situation of the communities that experience the greatest inequities in the region. Another tool is the disparate impact analysis of how decisions have different impacts on different communities. Staff will also revisit the work of the Community Investment Initiative and incorporate it into the Equity Strategy and the Action Plan as appropriate. Other tools, based on best practices, may also be considered and included.
- 5. Start the process with external and internal stakeholder engagement:** Input from external stakeholders will be crucial to develop a more effective Equity Strategy and Action Plan and to gain region-wide support for its adoption and implementation. People from a number of communities, jurisdictions, business and industry sectors will be asked to provide input. The participation of members of communities of color and with low incomes will be prioritized in the external engagement efforts. DEI Program staff will coordinate with Communications and other departments' staff currently working in external stakeholder engagement activities, in order to work more effectively in obtaining input for different Metro programs.

At the same time, and as ESAC and the CBOs highlighted, internal stakeholders' input is also vital for the strategy and action plan development. Equity Strategy and DEI Program staff will create mechanisms to conduct an internal Metro equity assessment that will generate more

information about Metro's programs and services, with a specific focus on identifying and boosting what is working well and removing barriers to advance equity. The internal stakeholder assessment will be led by Metro staff. Community leaders and organizations will be invited to take part in the engagement process, so they can provide their own input and recommendations.

- 6. Develop equity performance measures:** Advancing equity in the region requires the creation of performance measures to evaluate the equity outputs, outcomes and impact of Metro's work. As part of the Equity Strategy and Action Plan development, staff will research existing performance measures across Metro departments and make progress in developing new equity performance measures. However, these new equity performance measures are expected to be finalized and to become operational during the implementation of the Equity Strategy and Action Plan in mid-late 2016. The results of the equity performance measures implementation will be utilized by Metro staff to create a feedback loop of continuous process improvements to advance equity in Metro's work across the region.

The report was originally intended to include a set of data points to measure equity in the region, but demonstrating the relationship between the data points considered and Metro's work would have been extremely difficult. The existing literature suggests that creating performance measures with the explicit goal of showing Metro's impact on equity will be a more effective approach to demonstrate causality. Metro will also continue to invest in existing and future equity-related data collection efforts.

The process to create and implement Metro's Equity Strategy and Action Plan will be complex and we will benefit from identifying and using consistent terms and language. Development needs to be iterative in order to seamlessly incorporate lessons from the earlier stages. I expect that Metro staff and leadership will make mistakes as we take new risks and step in new directions in our search for advancing equity. I also expect that we will learn from our mistakes by being consistent in using performance measures and feedback loops for continuous improvement. We should also learn from similar work of other government and private sector partners.

I want to reiterate my appreciation for all the work conducted by the CBOs that wrote the Equity Framework Report, and to ESAC for thoroughly analyzing and debating the report and coming up with insightful recommendations. These inputs, and the work program that will result from my direction, will certainly contribute to creating an ambitious but realistic Equity Strategy and Action Plan for Metro to significantly advance equity in the region.



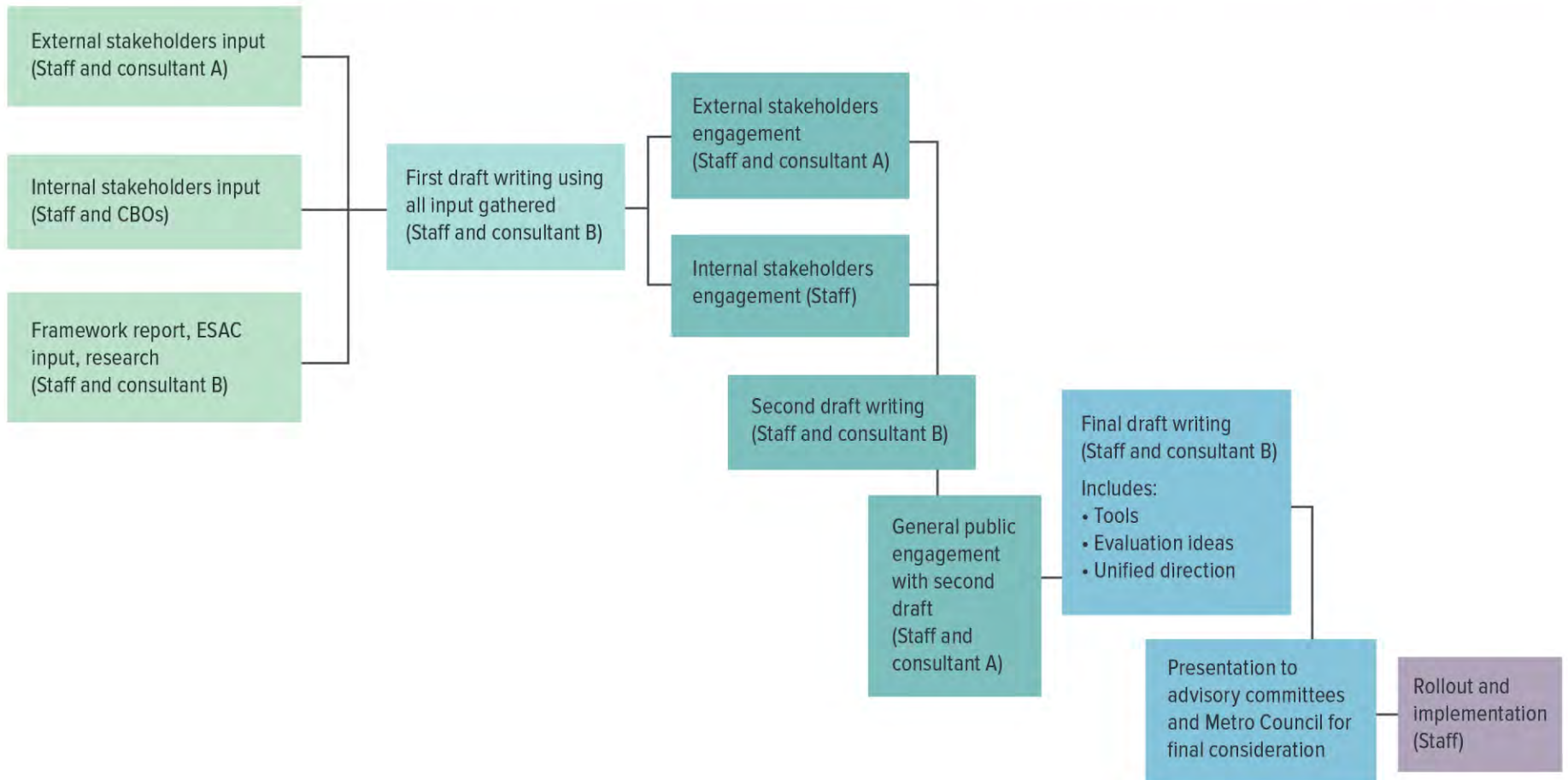
# Equity Strategy and Action Plan Development

## TIMELINE April 2015 – February 2016

April / 2015  
Draft



Stakeholder engagement			First draft writing		Second draft writing and public comment period			Final draft writing and consideration		Implementation	
2015						2016					
APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR



# Urban growth management decision topic paper: Development potential in urban centers

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## **Topic paper purpose**

Policy makers have indicated an interest in further discussion of topics raised in the draft Urban Growth Report (UGR). This topic paper is intended to summarize relevant portions of the UGR as well as present additional summary information to inform policy dialogue. This topic paper relates to the likelihood of development of housing in urban centers such as Portland's.

## **Background**

Communities in our region have decided that most new housing should happen in existing urban areas. That policy direction is reflected in the draft UGR, which includes a forecast of how the market may respond to existing policies and plans over the next twenty years.

Based on existing state, regional and local plans and policies, the draft UGR estimates that, over the next 20 years, about 60 percent of the new homes inside the urban growth boundary (UGB) will be built in the City of Portland. Most of these new homes will be apartments and condos, particularly those in Portland.

MPAC, Council, and others have expressed an interest in discussing this forecast and its implications. While achieving this level of growth in urban centers such as Portland's will present challenges, it is also clear that building sufficient housing at appropriate price levels will be difficult in any location, including any potential urban growth boundary expansion areas.

## **Policy questions**

- What are the risks and opportunities of relying on locally-adopted plans, which focus most of the region's residential growth in urban centers and corridors?
- What additional actions or investments may be needed to support Portland's plans?
- If sustained development in Portland appears unlikely over the next 20 years, where might that development occur instead? What policies and investments would be adopted to achieve more growth elsewhere? Or, should the region as a whole plan for lower growth rates?

## **What are some of the reasons why the draft UGR forecasts substantial growth in Portland?**

- Demographic factors favor apartments and condos, which are most appropriate and likely in urban locations:
  - Most of the region's new households (60%) will include one or two people.
  - Half of the region's new households will be headed by someone over the age of 65. Most of those households won't include kids.
  - Most of the region's new households (60%) will make less than \$50,000 per year.

- Nationwide, there is a clear trend of urban areas attracting new residents. The 2014 Residential Preference Study identified strong preferences for neighborhoods with amenities and services within walking distance. The study also indicated that people are willing to accept longer commutes to live in their preferred neighborhood type. Today, Portland’s neighborhoods offer many of the amenities that people prefer.
- There are constraints to growth in all locations – inside the Metro UGB, in potential UGB expansion areas, and in neighboring communities. Some of those constraints include:
  - Federal funding for new infrastructure has been decreasing for the last few decades.
  - State growth management laws in Oregon and Washington place limits on outward growth. The draft UGR reflects those constraints and forecasts that the Metro UGB will “capture” a greater share of future households than in the past.
  - The adoption of urban and rural reserves signals clear policy direction to focus most growth inside the existing UGB. In this policy context, over 75 percent of the region’s long-term residential growth capacity is already inside the UGB (with the remaining 25 percent in urban reserves). Under these adopted plans, much of the region’s growth capacity is in the City of Portland.
  - The state Metropolitan Housing Rule requires that cities and counties provide at least half of their residential capacity on buildable land for multifamily housing or single-family attached housing. This type of housing is most likely to occur in urban centers such as those in Portland.
  - There are ongoing infrastructure finance and governance challenges in UGB expansion areas. Though there have been over 32,000 acres added to the UGB since its adoption in 1979, those expansion areas have produced little housing, particularly housing that would be affordable to households making less than \$50,000 per year.

**What are some of the reasons why it will be challenging to produce this much housing in urban centers?**

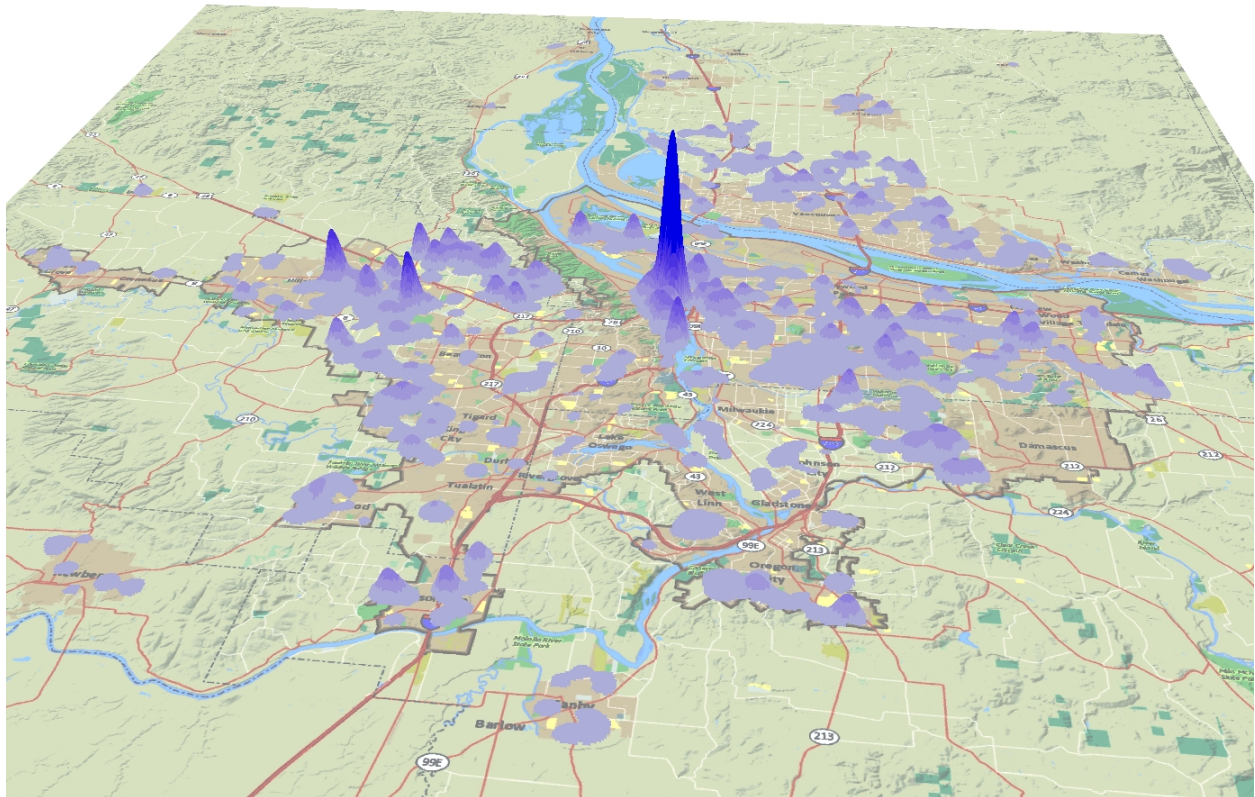
- On a per-square-foot basis, mid-rise and high-rise construction tends to cost more than lower density housing types. This is particularly the case when multifamily housing includes structured parking, which can add about \$25,000 to the cost of each unit.
- As a consequence of higher costs-per-square foot, multifamily units tend to be smaller than single-family detached homes. This poses challenges for producing family-friendly housing in urban areas.
- The region’s mixed-use corridors sometimes pass through neighborhoods. Neighborhood associations often oppose new construction.
- Most of the expected housing in Portland will be apartments and condos. Questions remain about how well this will match people’s housing preferences. The 2014 Housing Preference Study found:

- Without asking for respondents to make tradeoffs such as price, neighborhood type, and commute time, 80 percent of respondents preferred single-family detached housing.
- Accounting for tradeoffs such as price, neighborhood type, and commute time, 62 percent of respondents chose single-family detached housing (comparable to the share that live in this housing type today).
- The draft UGR indicates that the city would see about 124,000 new households over the next 20 years. This amounts to an average of about 6,000 new homes every year, which exceeds average annual housing production for the city.

**What are some of the recent development trends around the region?**

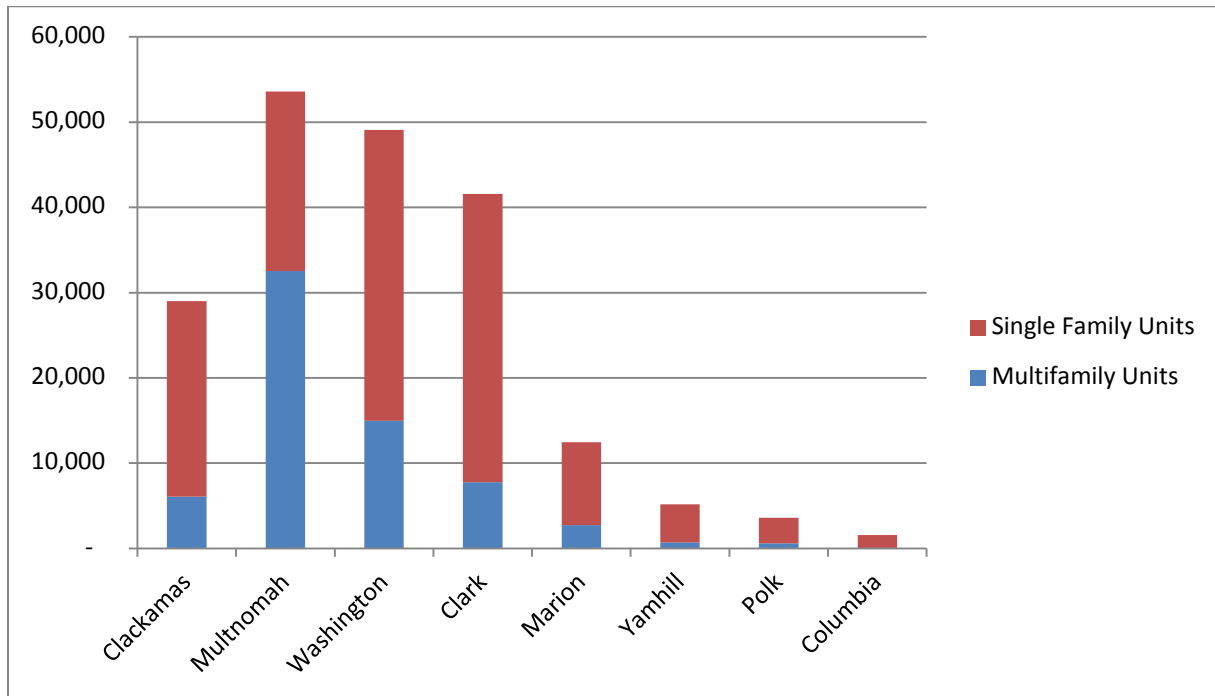
Growth management decisions are an exercise in planning for the future. However, what has happened in the past can inform discussions about what might happen over the next 20 years. Below are data on past residential development activity from 1998 through the third quarter of 2014.<sup>1</sup>

**Figure 1: New residential permit activity (total new residences 1998 through 3rd quarter 2014)**



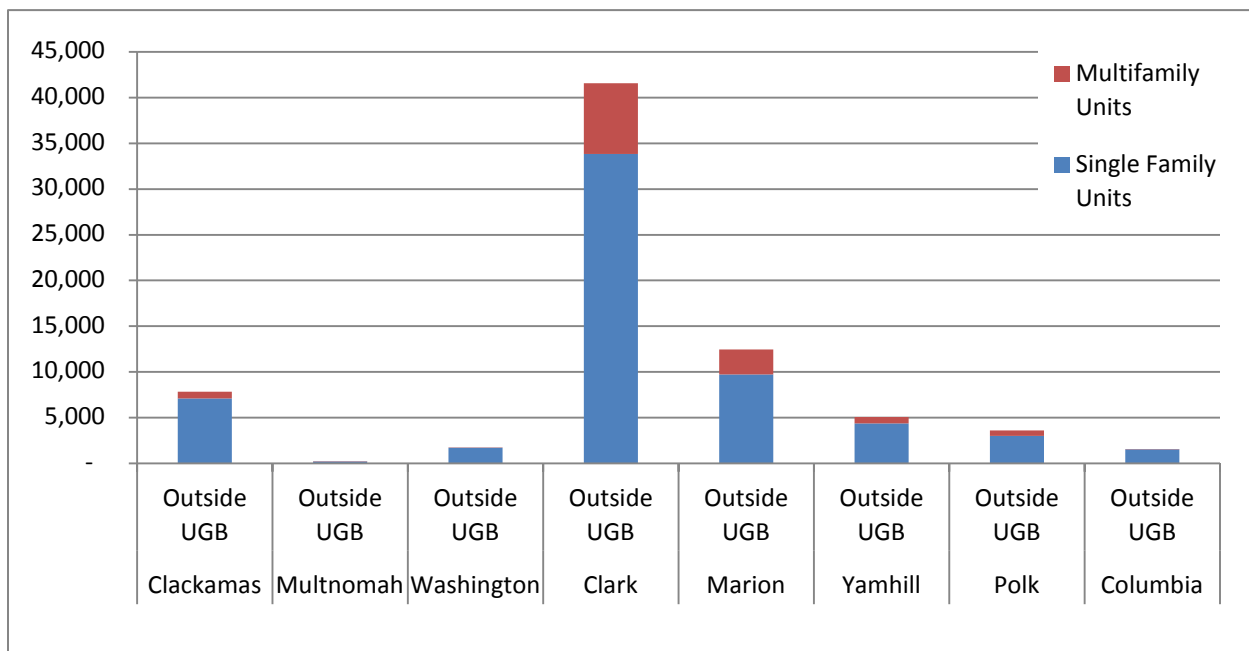
<sup>1</sup> Data source: Construction Monitor. These data are for approved permits for new residential construction. Pending permits and renewed permits were excluded. These data were compared with and found to closely match U.S. Census Bureau permit data. Though this is the best available data, there may be some instances when approved permits did not get built.

**Figure 2: Permitted new residences by county and housing type (1998 through 3rd quarter 2014)**



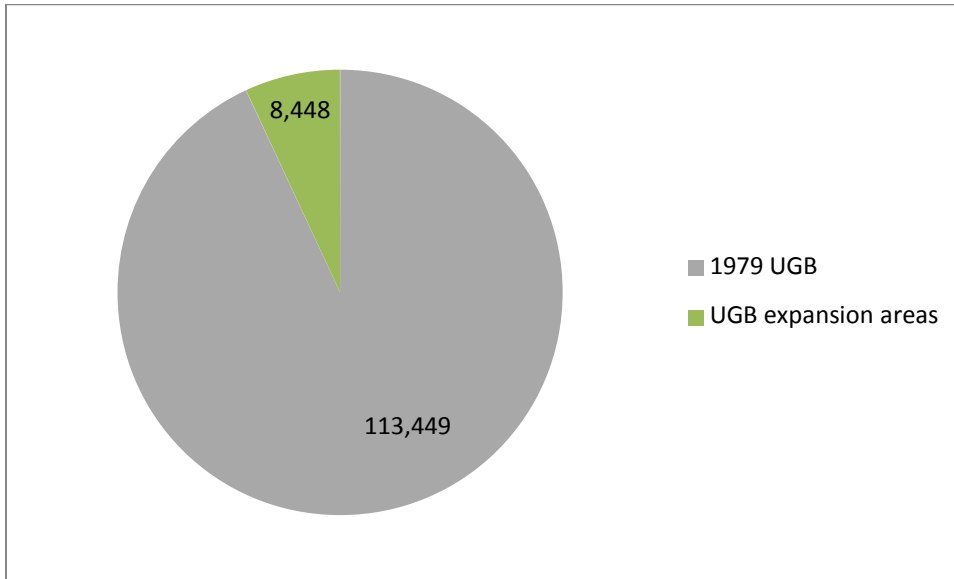
As depicted in Figure 2, there were about 196,000 new residences permitted in the eight counties shown. These new residences are evenly split between single-family and multifamily units.

**Figure 3: Permitted new residences outside the Metro UGB by housing type (1998 through 3rd quarter 2014)**



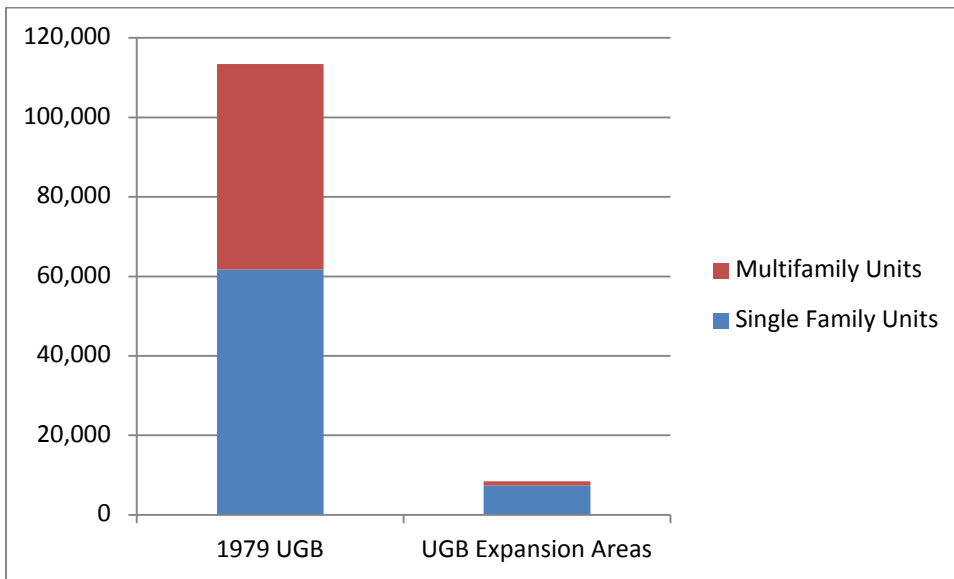
As depicted in Figure 3, most (56 percent) of the residential growth happening outside the Metro UGB has occurred in Clark County. Washington State also manages growth through its Growth Management Act.

Figure 4: Permitted new residences in original 1979 UGB and expansion areas (1998 through 3rd quarter 2014)



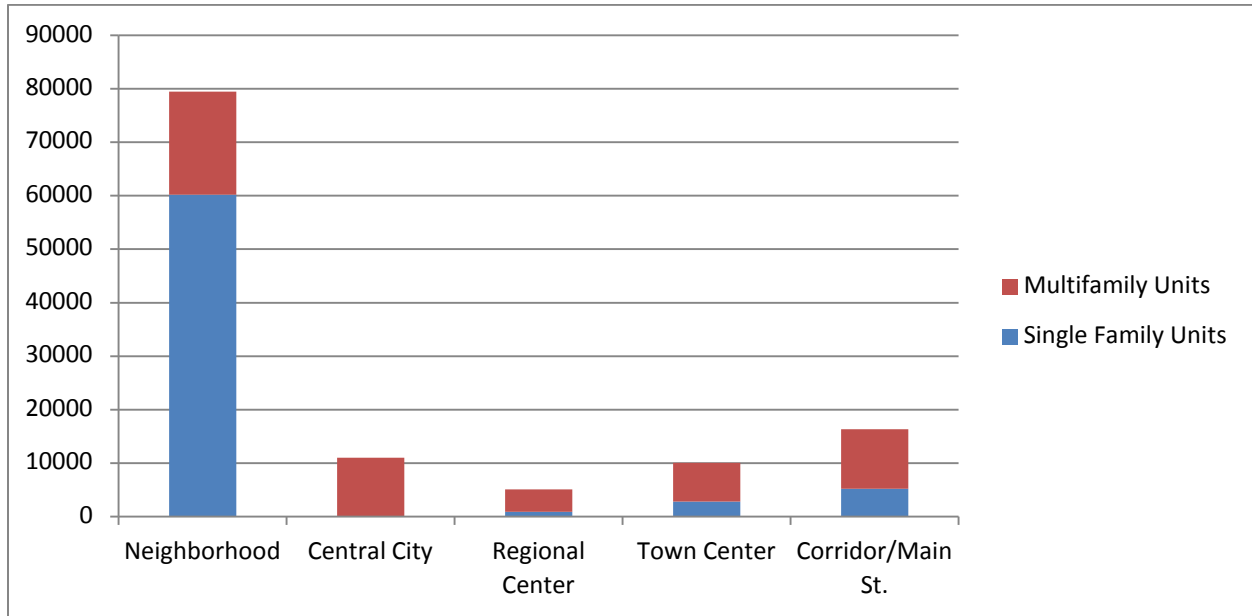
There are approximately 260,000 acres inside the Metro UGB, including about 32,000 acres that have been added since the UGB’s adoption in 1979. As depicted in Figure 4, 93 percent of the new residences were permitted inside the original 1979 Metro UGB. UGB expansion areas contributed seven percent of the region’s new housing.

Figure 5: Permitted new residences by type in the original 1979 UGB and expansion areas (1998 through 3rd quarter 2014)



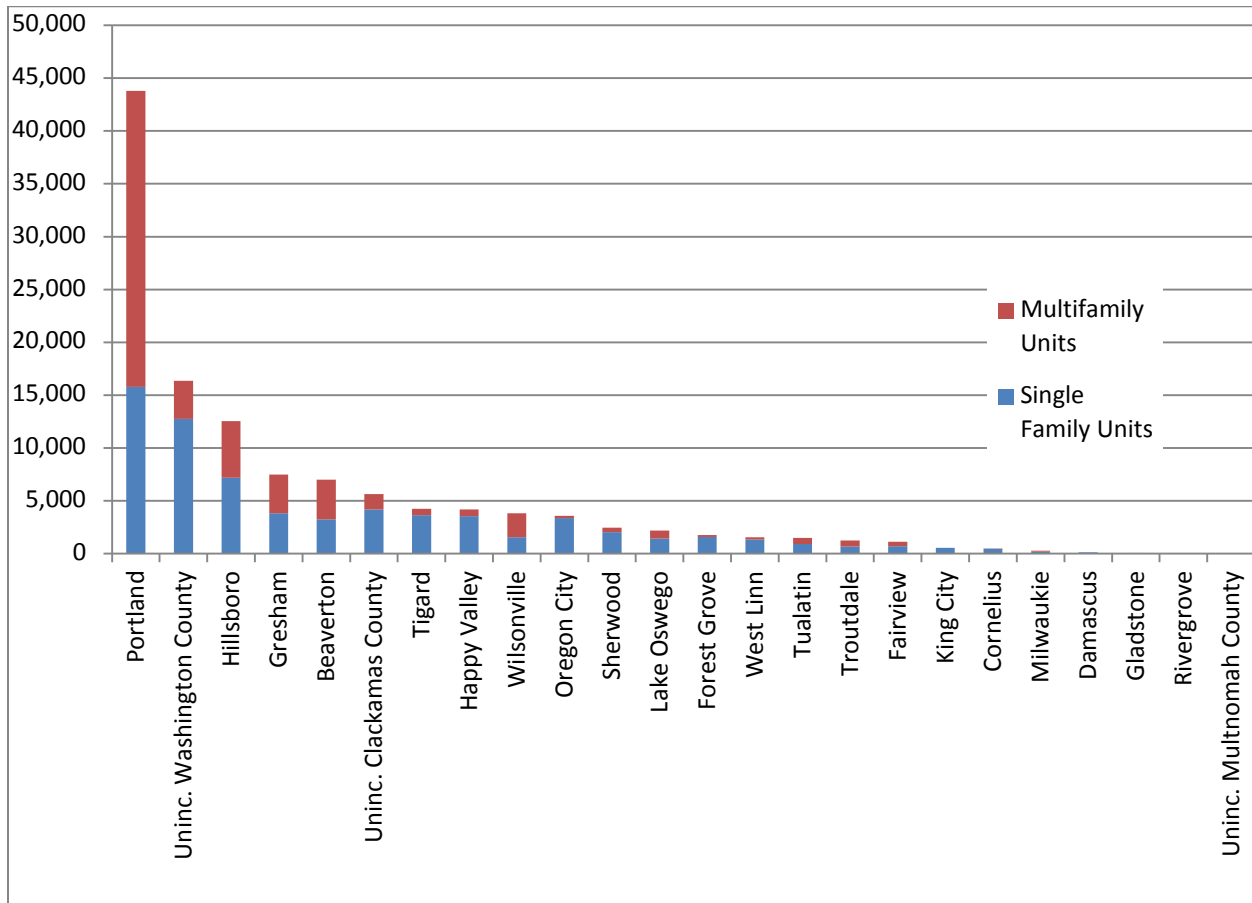
As depicted in Figure 5, 54 percent of the new housing permitted inside the original 1979 UGB has been single-family housing. In UGB expansion areas, single-family housing represents 87 percent of the new housing.

Figure 6: Permitted new residences in the Metro UGB by 2040 design type and housing type (1998 through 3rd quarter 2014)



The regional vision for growth, the 2040 Growth Concept, identifies several different design types. The Neighborhood design type is the most ubiquitous and, as depicted in Figure 6, accounted for most (65 percent) of the new residences in the Metro UGB.

Figure 7: Permitted new residences by city inside the Metro UGB (1998 through 3rd quarter 2014)



As depicted in Figure 7, over the last 16 years, the City of Portland led residential construction in the Metro UGB with 36 percent of the new residences. This represents an average housing production in Portland of over 2,700 units per year, which is about half of the average annual housing production forecast for the City of Portland in the draft UGR. In its best years (2003 and 2014), Portland produced over 5,000 units of new housing per year. Portland’s lowest housing production occurred during the Great Recession. From 1998 through the third quarter of 2014, 64 percent of Portland’s new housing was multifamily.