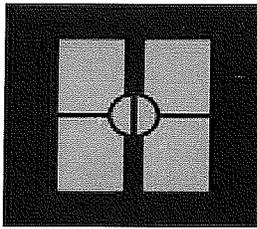


MAY 31 2011

LAND CONSERVATION  
AND DEVELOPMENT**HAND DELIVERED**

May 31, 2011

VIA HAND DELIVERY

Urban and Rural Reserves Specialist  
Department of Land Conservation and Development  
635 Capitol Street NE, Suite 150  
Salem, OR 97301

RE:: Objections to Adoption of Urban and Rural Reserves by Metro and Washington County,  
Metro Ordinance Nos. 10-1238A, 11-1255; Washington County Ordinance Nos. 733, 740

Dear Urban and Rural Reserves Specialist:

The City of Hillsboro hereby respectfully objects to the overall designation of Urban and Rural Reserves by Metro and Washington County ("Reserves Decision") pursuant to OAR 660-025-0140. Metro and the County mailed the Notice of Adoption of the Reserves Decision on May 12, 2011. This objection is timely filed as required by OAR 660-025-140(2)(a).

**STANDING: OAR 660-025-0140(2)(d)**

The City has standing to submit objections pursuant to OAR 660-025-0140(2)(d). Hillsboro participated extensively, both orally and in writing, during the Metro and Washington County Reserves as follows:

- March 15, 2011 - Hillsboro Mayor Jerry Willey oral testimony to the Washington County Board of Commissioners and Metro joint hearing (WashCo County Rec. pages 10613, 10525-10526; Metro Supp Rec. SR 3 page 9).
- February 25, 2011- Hillsboro Mayor Jerry Willey written testimony on Metro Resolution No. 10-4126 (Metro Rec. page 2414).
- January 20, 2010 – Mayor Jerry Willey oral and written comment at Metro Council hearing (Metro Rec. page 1788).
- November 17, 2009 – Hillsboro Mayor Jerry Willey letter to David Bragdon, Metro Council Members, Reserves Core 4, Richard Whitman and state agencies (Metro Rec. pages 162, 1469, 2294)

**IDENTIFICATION OF DEFICIENCIES: OAR 660-025-0140(2)(b)**

**A. Identification of specific statutory and administrative rule requirements asserted:**

We respectfully contend that the final Region's Reserves decision does not adequately satisfy the following urban and rural reserves designation factors:

1. **ORS 195.145(5)**. A district and a county shall base the designation of urban reserves under subsection (1)(b) of this section upon consideration of factors including, but not limited to, whether land proposed for designation as urban reserves, alone or in conjunction with land inside the urban growth boundary:

*(b) Includes sufficient development capacity to support a healthy urban economy.*  
(emphasis added)

2. **OAR 660-027-0005(2)**. Urban reserves designated under this division are intended to facilitate long-term planning for urbanization in the Portland metropolitan area and to provide greater certainty to the agricultural and forest industries, to other industries and commerce, to private landowners and to public and private service providers, about the locations of future expansion of the Metro Urban Growth Boundary. Rural reserves under this division are intended to provide long-term protection for large blocks of agricultural land and forest land, and for important natural landscape features that limit urban development or define natural boundaries of urbanization. **The objective of this division is a balance in the designation of urban and rural reserves that, *in its entirety*, best achieves livable communities, the viability and vitality of the agricultural and forest industries and protection of the important natural landscape features that define the region for its residents.**" (emphasis added)

[OAR 660-027-0010(4) "Livable communities" means communities with development patterns, public services and infrastructure that make them safe, healthy, affordable, sustainable and attractive places to live and work."]

3. **OAR 660-027-0050** Urban Reserve Factors. When identifying and selecting lands for designation as urban reserves under this division, Metro shall base its decision on consideration of whether land proposed for designation as urban reserves, alone or in conjunction with land inside the UGB:

...  
*(2) Includes sufficient development capacity to support a healthy economy*

Our contention that the final Reserves Decision does not fully comply with the above-cited Reserves provisions are discussed more specifically below.

## **B. Discussion of Identified Requirements.**

In broad terms, we contend that the final Reserves decision in Washington County provides *insufficient suitably-located urban reserves* - or in lieu of such additional urban reserves, insufficient suitably located undesignated lands - near the Region's "Silicon Forest" Area for long-term Regional employment and, more specifically, to meet the long-term industrial land (large lot industrial) need of existing regionally-significant industrial traded sectors in the Area for the 50-year Reserves Decision horizon.

Specifically, in order to adequately satisfy the above-cited Reserves Factors, we contend that, at a minimum, additional undesignated lands need to be identified and included in the ultimate Reserves decisions for Washington County based on the following rationale:

- the substantial length of the identified forecast period,
- the limitations on flexibility once rural reserves are designated,
- the extensive urban services delivery planning undertaken by Washington County cities, and
- the extensive Washington County data analysis available in the record of the Reserves Decision concerning the categorization of agricultural land in the County,

Therefore, *in their entirety*, the final urban and rural designations for Washington County do not adequately address the "livability" and "healthy economy" Urban Reserve Factors cited above.

The following recent Reserves designation history for Washington County reveals, and provides the basis for, our contentions:

### **B.1. Why the Final Reserves Designations for Washington County Fail to Adequately Satisfy Cited Reserves Factors.**

#### **B.1.a. Eroded Local Community "Livability" and "Healthy Economies" Aspirations**

The failure of the final Reserves decisions for Washington County to support a healthy economy and livable communities is caused by a series of reductions in proposed County urban reserves during the Regional Reserves process. These reductions ultimately resulted in a final set/amount of employment-oriented urban reserves that fail to reasonably relate to, and accommodate expert research and analyses of long-term employment land needs of the existing traded sectors in the County:

The County Reserves process initially identified a need for 47,000 acres of urban reserves based upon individual "pre-qualifying reserves concept planning" conducted by most of the cities in Washington County. Regional Core 4 feedback to the County Reserves process led to a series of reductions in urban reserves from 47,000 acres to 39,000 acres and finally 34,300 acres by the Washington County Reserves Coordinating Committee (WCRCC). WashCo Rec. 3011; Metro

Ordinance No. 11-1255, Exhibit B pages 58 & 68; WashCo Rec. 2930-3818; Metro Supp Rec. page 424. Finally, the Core 4 reduced the acreage down to approximately 13,000 (Metro Rec. pages 1666-1669; Metro Ordinance No. 11-1255, Exhibit B pages 58 & 68; Metro Supp Rec. pages 414 & 424).

Each reduction substantially compromised and eroded the ability of individual Washington County cities and more specifically cities in Western Washington County, as well as the County as a whole, to achieve respective, locally prepared, 50-year community growth aspirations that were collectively reflected in the initial, recommended 47,000 acres of Washington County urban reserves. (WashCo Rec. pages 3115 & 3451; WashCo Rec. 2930-3818; WashCo Rec. page 3213; Metro Ordinance No. 11-1255, Exhibit B pages 85-87 & 154-171; Metro Supp Rec. pages 441-442, 510-527; WashCo Rec. pages 3066-3083; WashCo Rec. pages 3084-3109).

The result of these reductions is a failure of the final set of County urban reserves, together with undesignated lands, to address/accommodate the long-term regional employment needs and long-term economic viability of existing regionally-significant traded sectors in the Silicon Forest. Thus, the final County Reserves decision fails to fully satisfy ORS 195.145(5)(b) and OAR 660-027-0050(2) relating to achieving a balance of urban and rural reserves that, in their entirety, will achieve “livable communities” and a “healthy (regional) economy”.

#### **B.1.b. Unsupported Reserves Industrial Land Need Assumptions.**

Metro concluded that 28,256 acres out of a range of 15,700 – 29,100 of urban reserves are needed to accommodate 371,860 people and employment land targets over the 50-year reserves planning period for the region. Of this acreage Metro determined 3,000 acres of net buildable land was necessary for larger-parcel industrial users in the Urban Reserves. COO Recommendation, Urban Rural Reserves, Appendix 3E-C, Metro Rec. 601-603, 607-610, Metro Rec.121-122; Metro Ordinance No. 11-1255, Exhibit B pages 2, 14-15; Metro Supp Rec. pages 358, 370-371.

These conclusions assume that: (1) there would be “greater efficiencies in use of employment lands over the next 50 years”, and (2) “more industrial jobs will be accommodated in high-floor-to-area-ratio (FAR) offices rather than low-FAR general industrial space.” These assumptions, and a resulting reduction region-wide in land need of 10 percent, are not supported by substantial evidence in the record. Metro Ordinance No. 11-1255, Exhibit B page 15; Metro Supp Rec. page 371; Metro Supp Rec. page 371.

For example: contrary to the Metro land need determination stated above the Washington County Lands Needs Estimates concluded that there is a shortfall of Urban Reserve land in Washington County with a range of 17,734 – 50,411 acres by 2050 and 27,722 – 66,834 acres by 2060. WashCo Rec. pages 2964-2966. With the Metro selection of 30 years of planned land supply (2060) the Washington County estimation at the low end of the range (27,722 acres) is almost equal to Metro’s region wide adopted urban reserves of 28,256 acres which can be concluded as insufficient to meet the urban reserve land need.

## **B.2. Recognition of Insufficient Industrial Urban Reserves/Undesignated Land Designations in Washington County**

On October 29, 2010, the Land Conservation and Development Commission (LCDC) orally remanded the Washington County element of the Metro and Washington County Reserves Decision. The draft minutes of this LCDC proceeding includes an LCDC/DLCD staff discussion questioning the adequacy of “Undesignated” land in Washington County.

This dialogue on the record raises critical doubt whether the final Washington County Rural Reserves set (and boundaries) are too tight to ensure that *a balance* has been reached by the Washington County Urban and Rural Reserves designations that, *in its entirety, best achieves livable communities* in this County, and adequately supports a *healthy economy* locally and regionally.

(In fact, Washington County conducted a robust data analysis, applying the factors at OAR 660-027-0060(2) rather than relying on the “safe harbor” of -0060(11), which allows designation of “Foundation” or “Important” Agricultural Lands within three miles of a UGB to be deemed qualified for designation as Rural Reserves. WashCo Rec. pages 3798-3799. The final designation of Rural Reserves in the County far exceeded lands addressed by the County’s analysis under these Factors.)

As acknowledged in the Reserves Decision, “Estimating land demand over the next 50 years is difficult as a practical matter and involves much uncertainty.... The uncertainties loom much larger for a 40 to 50-year estimate.” (Metro Ordinance No. 11-1255, Exhibit B page 13; Metro Supp Rec. page 369).

LCDC and DLCD discussions during the Reserve proceedings noted concern regarding the sufficiency of employment-oriented urban reserves in Washington County, particularly if such proposed reserves north of the City of Cornelius were not going to be included in the final set of County urban reserves acknowledged by LCDC.

In response to the remand, Metro and Washington County adopted ordinances that reduced urban reserves by 299 acres, reduced rural reserves by 120 acres and increased undesignated lands by 391 acres. Metro Ordinance No. 11-1255, Exhibit B page 2; Metro Supp Rec. page 358. These actions establish a total of 13,525 acres of Urban Reserves and 151,209 acres of Rural Reserves in Washington County. As described above, this modified set of Washington County Reserve designations is insufficient to meet the needs of the region under ORS 195.145(5)(b) and OAR 660-027-0050(2) and given the constraints and factors identified above.

### **RECOMMENDED REVISIONS: OAR 660-025-0140(2)(c)**

We respectfully request that LCDC’s final Reserves Order direct the region to identify additional undesignated near the Silicon Forest Area suitable to accommodate long-term, 50-year land needs of the existing industrial traded sectors located within this Area in accordance with 50-year

land need economic studies contained in the Reserves Record pertaining to this Area and these traded sectors. This approach will provide the ability at the 20-year reserves review for the opportunity to designate additional urban reserve land to support a healthy economy to meet ORS 195.145(5)(b) and OAR 660-027-0050(2) and pursuant to the related factors identified and discussed herein.

Respectfully submitted,

CITY OF HILLSBORO PLANNING DEPARTMENT:



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Planning Director

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