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JUL 14 2010  
LAND CONSERVATION  
AND DEVELOPMENT

July 14, 2010

VIA Email

Larry French  
Urban and Rural Reserves Specialist  
Department of Land Conservation and Development  
635 Capitol St. NE, Suite 150  
Salem, OR 97301-2540

RE: Objection to Metro Ordinance No. 10-1238A  
Adopting Urban and Rural Reserves

Dear Mr. French:

As Mayor of the City of Portland, I submit the following objection to Metro Ordinance No. 10-1238A, which designates Urban and Rural Reserves for the Portland metropolitan region.

Metro and Multnomah, Washington and Clackamas Counties have performed a difficult task in adopting Urban and Rural Reserves. Ultimately, this process will provide for superior long-term planning for the state's largest metropolitan region to ensure the development of compact urban communities within the urban growth boundary surrounded by prosperous farms, ranches, forest land and natural landscapes. Metro and the Counties have led a collaborative and deliberative process to get to this point in which the City of Portland participated as members of the Metro Policy Advisory Committee, the Metro Technical Advisory Committee, and in testifying before the Multnomah County Board of County Commissioners and the Metro Council.

Unfortunately, the process has resulted in two significant errors that require remedying:

1. A designation of an oversupply of Urban Reserves that represents more than a 30-year supply of land.
2. A failure to coordinate the 50-year "range" forecast for population and employment based on the December 2009 Urban Growth Report with the 2035 Regional Transportation Plan (RTP), which is based on population and job growth assumptions. Specifically, the RTP contains assumptions about increased zoning capacity and redevelopment, particularly along newly designated High Capacity Transit (HCT) corridors, that are different than those included in the December 2009 Urban Growth Report.

The oversupply error is the result of faulty assumptions in the December 2009 Urban Growth Report, specifically in how Metro addresses a vacancy rate inside the UGB and the Urban Reserves, which results in an overestimate of the future urban land need. Consequently, the Urban Reserves process became too focused on rural land suitable for urban uses and not on efficiency measures to increase capacity inside the current UGB. This lack of focus is how the urban reserves ballooned from the 23,000 acres recommended by MPAC to the 28,615 acres ultimately adopted by the Metro Council.

The designation of 28,615 acres of Urban Reserves is at the top end of the range of future land needs identified in Metro's 50-year forecast. This overreaching when combined with the failure to adequately account for the increased redevelopment capacity along the HCT corridors in the 2035 Regional Transportation Plan results in an oversupply of Urban Reserves.

To remedy this deficiency LCDC should remand the work task to Metro with instructions to:

- 1) Recalculate the capacity of existing urban land :
  - a. Without the four percent vacancy rate for existing urban land; and
  - b. With upzoning and redevelopment assumptions consistent with the high capacity transit investments described in the RTP.

And

- 2) Recalculate the need for urban reserves:
  - c. Based on the recalculated capacity of existing urban land described above,
  - d. Without the four percent vacancy rate.

## **1. OVERSUPPLY ERROR**

### **Violation of Oregon Administrative Rules 660-027-0040**

#### **Designation of Urban and Rural Reserves**

(2) Urban reserves designated under this division shall be planned to accommodate estimated urban population and employment growth in the Metro area for at least 20 years, and not more than 30 years, beyond the 20-year period for which Metro has demonstrated a buildable land supply inside the UGB in the most recent inventory, determination and analysis performed under ORS 197.296. Metro shall specify the particular number of years for which the urban reserves are intended to provide a supply of land, based on the estimated land supply necessary for urban population and employment growth in the Metro area for that number of years. The 20 to 30-year supply of land specified in this rule shall consist of the combined total supply provided by all lands designated for urban reserves in all counties that have executed an intergovernmental agreement with Metro in accordance with OAR 660-027-0030.

#### **Identified Deficiency under OAR 660-027-0040 (2)**

More than a 30-year supply of urban reserves has been designated because there is no reasonable basis for three assumptions included within the latest ORS 197.296 analysis (December 2009 Urban Growth Report):

1. The existing urban growth boundary requires a four percent vacancy rate to provide needed housings, even though urban reserves will be readily available to meet unanticipated needs.
2. The calculation on need for urban reserves also requires a four percent vacancy rate, even though these lands are, by definition, completely vacant of urban housing.
3. There will be no upzonings of existing urban land, even though the RTP also submitted for review in the manner of periodic review, contains a new HCT corridors, with assumptions of upzoning and redevelopment at new transit stations.

#### **Required Remedy under OAR 660-027-0040 (2)**

To remedy this deficiency LCDC should remand the work task to Metro with instructions to recalculate the capacity of existing urban land without the four percent vacancy rate and include the additional redevelopment capacity along HCT corridors, and recalculate the need for urban reserves without a four percent vacancy rate

## **2. INSUFFICIENT COORDINATION ERROR**

### **Violation of Statewide Planning Goal 2, ORS 197.015 (5), and ORS 268.380 (2)**

#### **Goal 2, Coordinated Planning**

City, county, state and federal agency and special district plans and actions related to land use shall be consistent with the comprehensive plans of cities and counties and regional plans adopted under ORS Chapter 268.

#### **ORS 197.015 (5)**

A plan is "coordinated" when the needs of all levels of governments, semipublic and private agencies and the citizens of Oregon have been considered and accommodated as much as possible.

#### **ORS 268.380 (2)**

(2) When a district is required by a district charter to adopt a regional framework plan, the regional framework plan shall include and be consistent with land use planning goals and objectives adopted by the district.

### **Identified Deficiency under Statewide Planning Goal 2, ORS 197.015, and ORS 268.380 (2)**

Metro is required to adopt plans that are coordinated with each other. The latest ORS 197.296 analysis (December 2009 Urban Growth Report) contains population and job growth assumptions that are different from those underpinning the RTP, because the RTP contains upzoning and redevelopment assumptions along HCT corridors that are different from those included by the latest 197.296 analysis.

### **Required Remedy under Statewide Planning Goal 2, ORS 197.015, and ORS 268.380 (2)**

To remedy this deficiency LCDC should remand both the urban and rural reserve work task and transportation work task with directions that both tasks employ the same employment and jobs forecast and redevelopment assumptions. In particular Metro should not be allowed to ignore the redevelopment opportunities along the HCT corridors identified in the RTP when calculating the capacity of existing urban land and the need for urban reserves.

Thank you for your consideration in this matter.

Sincerely,



Sam Adams  
Mayor, City of Portland

cc: Laura Dawson-Bonder, Metro  
Richard Benner, Metro  
Robin McArthur, Metro  
Maggie Dickerson, Clackamas County  
Chuck Beasley, Multnomah County  
Steve Kelley, Washington County