

**DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT
DIRECTOR’S DECISION ON METRO
URBAN GROWTH BOUNDARY AMENDMENT**

DLCD Order #001953

April 18, 2025

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I. DECISION

For the reasons explained in this report, the director of the Department of Land Conservation and Development (DLCD or department) concludes that the submittal from Metro, Metro Ordinance 24-1520, containing an urban growth boundary (UGB) amendment and supporting comprehensive plan amendments, complies with the requirements of the applicable statewide planning goals, statutes, and administrative rules. The submittal is approved.

II. REVIEW PROCEDURES AND CRITERIA

A. Procedural Considerations

Oregon Revised Statutes (ORS) 197.626 to 197.650 and Oregon Administrative Rule (OAR) 660-025-0175 authorize the director's review of work submitted "in the manner provided for periodic review." The director of DLCD has 120 days from the date of submittal to make a decision. ORS 197.633(5)(a); OAR 660-025-0150(3). The director may approve the submittal, remand it, or refer the matter to the Land Conservation and Development Commission (LCDC). ORS 197.633(5)(b); OAR 660-025-0150(1)(b). The director elected to make a decision in this case.

OAR 660-025-0150(5) provides "If the department received one or more valid objections to the work task or plan amendment, the director must either issue an order...or refer the work task or plan amendment to the commission for review." The department received ten objections. This order addresses the objections.

B. Validity of Objections

The department received ten objections to the UGB amendment submittal. See Attachments A to J. The objections raise a range of issues with the submitted UGB amendment.

Ref. No.	Attachment	Objector
1	A	1000 Friends of Oregon
2	B	Ron Bunch
3	C	Brian Fields
4	D	Housing Land Advocates
5	E	Dan Hoyt
6	F	David Marks

7	G	Jim Marsh
8	H	Tualatin Riverkeepers
9	I	Verde
10	J	West of Sherwood Farm Alliance <i>et al</i>

Regarding required local government notice of a final decision under ORS 197.626(1)(a) for an amendment of an urban growth boundary by a metropolitan service district that adds more than 100 acres to the area within its urban growth boundary, OAR 660-025-0140 provides:

- “(1) After the local government makes a final decision on a work task or comprehensive plan amendment listed in ORS 197.626(1) and OAR 660-025-0175, the local government must notify the department and persons who participated at the local level orally or in writing during the local process or who requested notice in writing. The local government notice must contain the following information:
 - “(a) Where a person can review a copy of the local government's final decision, and how a person may obtain a copy of the final decision;
 - “(b) The requirements listed in section (2) of this rule for filing a valid objection to the work task or comprehensive plan amendment listed in OAR 660-025-0175; and
 - “(c) That objectors must give a copy of the objection to the local government.
- “(2) Persons who participated at the local level orally or in writing during the local process leading to the final decision may object to the local government's work task submittal. To be valid, objections must:
 - “(a) Be in writing and filed with the department's Salem office no later than 21 days from the date the notice was mailed by the local government;
 - “(b) Clearly identify an alleged deficiency in the work task sufficiently to identify the relevant section of the final decision and the statute, goal, or administrative rule the task submittal is alleged to have violated;
 - “(c) Suggest specific revisions that would resolve the objection; and
 - “(d) Demonstrate that the objecting party participated at the local level orally or in writing during the local process.

“(3) Objections that do not meet the requirements of section (2) of this rule will not be considered by the director or commission.”

All letters of objection received were filed within the required 21-day period. All of the letters of objection were timely and demonstrated that the objectors participated during the Metro’s hearings process. Therefore, the director concludes that OAR 660-025-0140(2)(a) and (d) have been met.

The director finds several of the objections invalid under OAR 660-025-0140(2)(b) or (2)(c). The director discusses these determinations in Section V, Analysis of Objections.

Table 1: Validity of objections received, director’s determination of valid objections

OBJECTION	BRIEF DESCRIPTION	VALID OR INVALID?	IF VALID, DIRECTOR’S DETERMINATION
1000 Friends of Oregon 1.A.	Need can be accommodated in UGB	Valid	Reject
1000 Friends of Oregon 1.B.1.	Commercial land not necessary	Valid	Reject
1000 Friends of Oregon 1.B.2.	Industrial sites not necessary	Valid	Reject
1000 Friends of Oregon 1.C.1.	OHNA numbers not used	Valid	Reject
1000 Friends of Oregon 1.C.2.	No consideration of all housing needs	Valid	Reject
1000 Friends of Oregon 1.D.	Climate Smart Communities violation	Valid	Reject
Bunch 2.A.	Biased process – poor citizen involvement	Valid	Reject
Bunch 2.B.	Concept plan isn’t good planning	Invalid: No specific provision cited	n/a
Bunch 2.C.	Concept plan won’t meet housing needs	Invalid: No specific provision cited	n/a
Bunch 2.D.	Housing proposed won’t meet housing needs	Invalid: No specific provision cited	n/a
Bunch 2.E.	Doesn’t address jobs-housing imbalance	Invalid: No specific provision cited	n/a
Bunch 2.F.	No factual basis for employment and housing need	Invalid: No specific provision cited	n/a

OBJECTION	BRIEF DESCRIPTION	VALID OR INVALID?	IF VALID, DIRECTOR'S DETERMINATION
Bunch 2.G.	Failure of past UGB expansion efforts in Sherwood	Invalid: No specific provision cited	n/a
Bunch 2.H.	Metro population growth projections too high	Valid	Reject
Bunch 2.I.	Inefficient transportation expenditures	Invalid: No specific provision cited	n/a
Bunch 2.J.	Employment land need unjustified	Valid	Reject
Bunch 2.K.	Insufficient protection of natural resources	Valid	Reject
Bunch 2.L.	Negative impact on agriculture in UGB area	Valid	Reject
Fields 3	Poor public process, impact on natural resources, transportation impacts	Valid	Reject
Housing Land Advocates 4.A.	Planning for housing is insufficient	Valid	Reject
Housing Land Advocates 4.B.	Submittal does not address Affirmatively Furthering Fair Housing	Valid	Reject
Housing Land Advocates 4.C.	Sherwood not the best location for providing housing by UGB expansion	Valid	Reject
Hoyt 5	Metro decision not good for Metro-area citizens	Valid	Reject
Marks 6.A.	Metro limited consideration to areas with concept plans	Valid	Reject
Marks 6.B.	Goal 14 locational analysis performed after selection of Sherwood West	Valid	Reject
Marks 6.C.	Problems with residential land need methodology	Valid	Reject
Marsh 7	UGB expansion will negatively impact Sherwood	Invalid: No specific provision cited	n/a
Tualatin Riverkeepers 8.A.1.	Need can be accommodated in UGB	Valid	Reject

OBJECTION	BRIEF DESCRIPTION	VALID OR INVALID?	IF VALID, DIRECTOR'S DETERMINATION
Tualatin Riverkeepers 8.A.2.	Goal 14 locational analysis performed after selection of Sherwood West	Valid	Reject
Tualatin Riverkeepers 8.A.3.	Inadequate analysis of alternatives	Valid	Reject
Tualatin Riverkeepers 8.B.	Inadequate consideration of environmental impacts	Valid	Reject
Verde 9	Inadequate analysis of alternatives	Valid	Reject
West of Sherwood Farm Alliance 10.A.	Inadequate analysis of alternatives	Valid	Reject
West of Sherwood Farm Alliance 10.B.1.	No reasonable alternative measures	Invalid: No specific remedy provided	n/a
West of Sherwood Farm Alliance 10.B.2.	Need to look at land within subareas, not just entire subareas	Valid	Reject
West of Sherwood Farm Alliance 10.B.3.	Negative impact on agriculture in UGB area	Valid	Reject
West of Sherwood Farm Alliance 10.B.4.	Failure to consider Metro UGB locational factors	Valid	Reject
West of Sherwood Farm Alliance 10.C.	Planning for housing is insufficient	Valid	Reject
West of Sherwood Farm Alliance 10.D.	Failure to consider North Plains UGB expansion	Valid	Reject
West of Sherwood Farm Alliance 10.E.1.	Too much industrial land added to UGB	Valid	Reject
West of Sherwood Farm Alliance 10.E.2.	Large lot industrial sites are too small after constraints subtracted	Valid	Reject

OBJECTION	BRIEF DESCRIPTION	VALID OR INVALID?	IF VALID, DIRECTOR'S DETERMINATION
West of Sherwood Farm Alliance 10.E.3.	Large lot industrial sites constrained by wildlife habitat	Valid	Reject
West of Sherwood Farm Alliance 10.E.4.	Large lot industrial site constrained by natural resources	Valid	Reject
West of Sherwood Farm Alliance 10.E.5.	Two industrial sites unsuitable due to parcelization and constraints	Valid	Reject
West of Sherwood Farm Alliance 10.F.	High tech industrial sites not limited to those uses	Invalid: No specific provision cited	n/a
West Sherwood Farm Alliance 10.G.	Decision doesn't promote compact development	Valid	Reject
West Sherwood Farm Alliance 10.H.	Decision inconsistent with Metro racial equity policies	Valid	Reject
West of Sherwood Farm Alliance 10.I.	Climate Smart Communities violation	Valid	Reject
West of Sherwood Farm Alliance 10.J.	Violation of Ethics Laws	Invalid: No specific provision cited	n/a

III. BACKGROUND AND DESCRIPTION OF SUBMITTAL

Metro assesses the capacity of the urban growth boundary at least every six years to determine if the Portland Metro Region has capacity for housing and employment for the next 20 years. In 2018, Metro adopted its Urban Growth Report and expanded the Metro UGB by approximately 2,100 acres. LCDC approved Metro's UGB decision, and the Oregon Court of Appeals upheld the LCDC decision. Metro's next statutorily required comprehensive review of the UGB was scheduled to occur in 2024. Record at 5.

For its 2024 growth management decision, Metro convened several groups to review concept plan proposals and provide feedback to Metro staff, advisory groups, and Metro Council. In 2024, one city, Sherwood, submitted a concept plan to Metro for an approximately 1,291-acre area known as Sherwood West, currently in the urban reserve.

Metro staff evaluated other areas in the region designated as urban reserves for possible addition to the UGB based upon their relative suitability under the Goal 14 Boundary Location factors and the related Metro code (discussed below). Record at 1195-1198.

On July 9, 2024, Metro's Chief Operating Officer (COO) made a recommendation to the Metro Council to expand the UGB in the proposed Sherwood West concept plan area. The recommendation included adding conditions of approval requiring the city to provide a minimum number of housing units, stimulate a mix of housing types, and encourage affordable housing production in the expansion area. The recommendation also included adding conditions of approval requiring the city to create and protect large industrial sites. The recommendation also included adding conditions of approval requiring the city to take an inclusive approach to community engagement in its comprehensive planning for Sherwood West.

On December 5, 2024, Metro Council adopted Ordinance No. 24-1520 to expand the UGB for the purpose of providing housing and employment capacity for the next 20 years. Ordinance No. 24-1520 included additional conditions of approval on land added to the UGB. Sherwood must plan for at least 3,120 housing units or 9.2 units per net acre in Sherwood West, while planning for complete communities, affordable housing, and adequate public facilities. Sherwood must also plan industrial areas to Metro Title 4 Industrial area standards, create and preserve two industrial sites of a minimum 50-acres each, and prohibit certain uses from the sites. Sherwood must also inventory fish and wildlife habitat in the expansion area. Metro included conditions of approval that reinforce comprehensive planning in the UGB expansion area and specific citywide requirements for the city. Record at 14-16.

The final Urban Growth Report is included as Exhibit E to Ordinance No. 24-1520. Record at 20-1181. The Urban Growth Report analysis includes the buildable land inventory, reporting on residential development trends, housing needs analysis, and other components intended for Metro to meet their legal requirements.

IV. DEPARTMENT REVIEW

A. Jurisdiction

The director, and if appealed, the commission, has exclusive jurisdiction to review an amendment of an urban growth boundary by a metropolitan service district that adds more than 100 acres to the area within its urban growth boundary.

Metro's submittal adds 1,291 acres to its UGB.

B. Scope of Review

Where the director reviews a UGB amendment submittal, it is done in the manner provided for periodic review. ORS 197.626(1); OAR 660-025-0175(1). That review is to determine whether the submittal complies with the applicable statewide planning goals, their implementing rules, and applicable state statutes. OAR 660-025-0150(9) and 660-025-0160(2). In addition to state law, planning goals, and administrative rules, the director reviews Metro provisions for compliance with applicable Metro regional framework plan standards related to housing and the urban growth boundary. The director confines the review of evidence to the record as a whole before Metro. ORS 197.633(3).

C. Standard of Review

The standard of review for this decision is provided in ORS 197.633(3). That statute provides in part:

- “(a) For evidentiary issues, is whether there is substantial evidence in the record as a whole to support the local government’s decision.
- “(b) For procedural issues, is whether the local government failed to follow the procedures applicable to the matter before the local government in a manner that prejudiced the substantial rights of a party to the proceeding.
- “(c) For issues concerning compliance with applicable laws, is whether the local government’s decision on the whole complies with applicable statutes, statewide land use planning goals, administrative rules, * * * the regional framework plan, the functional plan and land use regulations. The commission shall defer to a local government’s interpretation of the comprehensive plan or land use regulations in the manner provided in ORS 197.829. For purposes of this paragraph, ‘complies’ has the meaning given the term ‘compliance’ in the phrase ‘compliance with the goals’ in ORS 197.627.”

Thus, the director considers whether the submittal is consistent with the applicable statutes, goals, administrative rules, Metro’s regional framework plan, the Metro functional plan, and is supported by substantial evidence. OAR 660-025-0160(2)(a) and (c). The UGB submittal is a legislative decision. *Homebuilders Ass’n. of Metropolitan Portland v. Metro*, 184 Or App 663, 57 P3d 204 (2002). The Goal 2 requirement for an adequate factual base requires that a legislative land use decision be supported by substantial evidence. *DLCD v. Douglas County*, 37 Or LUBA 129, 132 (1999). Substantial evidence exists to support a finding of fact when the record, viewed as a whole, would permit a reasonable person to make that finding. *Dodd v. Hood River County*, 317 Or 172, 179, 855 P2d 608 (1993). Where the evidence in the record is conflicting, if a reasonable person could reach the decisions that Metro made in view of

all the evidence in the record, the choice between conflicting evidence belongs to Metro. *Mazeski v. Wasco County*, 28 Or LUBA 178, 184 (1994), *aff'd* 133 Or App 258, 890 P2d 455 (1995); *Barkers Five, LLC v. LCDC*, 261 Or App 259, 349, 323 P3d 368 (2014).

Because the submittal embodies both basic findings of fact and inferences drawn from those facts, substantial evidence review involves two related inquiries: “(1) whether the basic fact or facts are supported by substantial evidence, and (2) whether there is a basis in reason connecting the inference to the facts from which it is derived.” *City of Roseburg v. Roseburg City Firefighters*, 292 Or 266, 271, 639 P2d 90 (1981). Where substantial evidence in the record supports Metro’s adopted findings concerning compliance with the goals and the commission’s administrative rules, the director nevertheless must determine whether the findings lead to a correct conclusion under the goals and rules. *Oregonians in Action v. LCDC*, 121 Or App 497, 504, 854 P2d 1010 (1993).

There is no statute, statewide planning goal or administrative rule that generally requires that legislative land use decisions be supported by findings. *Port of St. Helens v. City of Scappoose*, 58 Or LUBA 122, 132 (2008). However, there are instances where the applicable statutes, rules or ordinances require findings to show compliance with applicable criteria. In addition, where a statute, rule or ordinance requires a local government to consider certain things in making a decision or to base its decision on an analysis, “there must be enough in the way of findings or accessible material in the record of the legislative act to show that applicable criteria were applied and that required considerations were indeed considered.” *Citizens Against Irresponsible Growth v. Metro*, 179 Or App 12, 16 n 6, 38 P3d 956 (2002). Such findings serve the additional purpose of assuring that the director does not substitute her judgment for that of the local government. *Id.*; *Naumes Properties, LLC v. City of Central Point*, 46 Or LUBA 304, 314 (2004).

Finally, the director also considers the objections and exceptions. In reviewing objections, the director only need consider those that “make an explicit and particular specification of error by the local government.” *1000 Friends of Oregon v. LCDC*, 244 Or App 239, 268, 259 P3d 1021 (2011).

D. Applicable Law

ORS 197A.355 governs the priority of any lands to be added to the Metro UGB. First priority for additions to the UGB are lands in Metro’s urban reserve. Next priority are lands designated as lands identified as “exception” or “nonresource” land. Next priority are lands designated as “marginal” lands, only applicable to designated lands in Washington County. Lowest priority are lands designated for agriculture or forest uses, and within this category lands with higher agricultural or forest capabilities as measured by soil type or cubic foot site class. Limited exceptions to this priority methodology are authorized in ORS 197A.355(3).

Goal 2 establishes a land use planning process and policy framework as a basis for all decisions and actions related to use of land. Goal 2 also requires an adequate factual base for such decisions and actions.

Goal 14 establishes requirements for amending UGBs, determining land needs within UGBs, and establishing the boundary location for UGBs. The Commission adopted OAR chapter 660, division 24 to provide guidance and requirements for completing the land need and location determinations under Goal 14. Goal 14 includes a requirement that Metro consider whether land needs can be reasonably accommodated within an existing UGB before considering expansion of the UGB.¹

OAR 660-032-0030 provides requirements for the Metro population forecast that supports the demonstrated need to accommodate long-range urban population. OAR 660-024-0040 includes requirements for determining land need in setting a UGB. OAR 660-024-0050 requires Metro to inventory land inside the UGB to determine whether lands already within the boundary can accommodate 20-year land needs, and inventory suitable vacant and developed land designated for residential, employment, and other land uses. OAR 660-024-0060 describes Metro's required methodology for conducting a boundary location alternatives analysis. Division 24 incorporates or recognizes other administrative rules by reference, including these relevant to Metro: OAR chapter 660, division 7, Metropolitan Housing, regarding residential land need; OAR chapter 660, division 12, Transportation Planning, regarding need for land for transportation facilities; and OAR chapter 660, division 9, regarding economic development and needed employment land.

Goal 10 is to "provide for the housing needs of citizens of the state." Metro and other local governments must inventory buildable lands for residential use and "plans shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density." For the area within the Metro UGB, Goal 10 is implemented by OAR chapter 660, division 7, commonly known as the Metropolitan Housing Rule. Division 7 interprets application of Goal 10 specifically to the Portland Metropolitan Area urban growth boundary. The Metropolitan Housing Rule contains definitions of the terms "buildable land" and "needed housing," includes the requirement for clear and objective standards as they relate to residential development, includes requirements for a mix of housing types for new construction, includes minimum residential density standards, and explains the process for the computation of buildable lands, among other standards. Other rule provisions require cities within Metro's boundaries to: 1) provide opportunity for a construction mix of new housing that is at least 50 percent attached single-family or

¹ Goal 14 provides, in part:

"Prior to expanding an urban growth boundary, local governments shall demonstrate that needs cannot reasonably be accommodated on land already inside the urban growth boundary."

multi-family;² and 2) provide for minimum densities of six, eight, or ten units per net buildable acre, depending upon the size of the city.³ Division 7 assigns Metro responsibility for regional coordination and determining whether the UGB contains adequate buildable land to satisfy the 20-year need for housing.⁴ Further, the rule specifies when the local jurisdictions within Metro are to evaluate or reevaluate the new housing construction mix and minimum density standards.⁵

² OAR 660-007-0030 provides, in part:

“(1) Jurisdictions other than small developed cities must either designate sufficient buildable land to provide the opportunity for at least 50 percent of new residential units to be attached single family housing or multiple family housing or justify an alternative percentage based on changing circumstances[.]”

³ OAR 660-007-0035 provides:

“The following standards shall apply to those jurisdictions which provide the opportunity for at least 50 percent of new residential units to be attached single family housing or multiple family housing:

“(1) The Cities of Cornelius, Durham, Fairview, Happy Valley and Sherwood must provide for an overall density of six or more dwelling units per net buildable acre. These are relatively small cities with some growth potential (*i.e.* with a regionally coordinated population projection of less than 8,000 persons for the active planning area).

“(2) Clackamas and Washington Counties, and the cities of Forest Grove, Gladstone, Milwaukie, Oregon City, Troutdale, Tualatin, West Linn and Wilsonville must provide for an overall density of eight or more dwelling units per net buildable acre.

“(3) Multnomah County and the cities of Portland, Gresham, Beaverton, Hillsboro, Lake Oswego and Tigard must provide for an overall density of ten or more dwelling units per net buildable acre. These are larger urbanized jurisdictions with regionally coordinated population projections of 50,000 or more for their active planning areas, which encompass or are near major employment centers, and which are situated along regional transportation corridors.

“(4) Regional housing density and mix standards as stated in OAR 660-007-0030 and sections (1), (2), and (3) of this rule do not apply to small developed cities which had less than 50 acres of buildable land in 1977 as determined by criteria used in Metro’s UGB Findings. These cities include King City, Rivergrove, Maywood Park, Johnson City and Wood Village.”

⁴ OAR 660-007-0050 provides:

“(1) At each periodic review of the Metro UGB, Metro shall review the findings for the UGB. They shall determine whether the buildable land within the UGB satisfies housing needs by type and density for the region’s long-range population and housing projections.

“(2) Metro shall ensure that needed housing is provided for on a regional basis through coordinated comprehensive plans.”

⁵ OAR 660-007-0060 provides:

In addition to state statute, planning goals, and administrative rules, the director reviews Metro provisions for compliance with applicable Metro Regional Framework Plan standards related to housing and the urban growth boundary. Title 11 of the Urban Growth Management Functional Plan, Planning for New Urban Areas, requires local governments to prepare concept plans for new urban areas with housing prior to inclusion into the UGB and specifies the contents of the concept plans. Title 14, Urban Growth Boundary, prescribes criteria and procedures for amendments to the UGB that will achieve stated objectives: creation of a clear transition from rural to urban development, provision of an adequate supply of urban land to accommodate long-term population and employment, and development in a compact urban form.

E. Director Evaluation

The director reviews the UGB amendment submittal to determine whether Metro Ordinance No. 24-1520 complies with the applicable statewide planning goals, statutes, and administrative rules, identified in Section IV.D. ORS 197.633(3)(c). In reviewing for compliance with the applicable statewide planning goals, ORS 197.627 provides:

“‘compliance with the goals’ means the comprehensive plan and regulations, on the whole, conform with the purposes of the goals and any failure to meet individual goal requirements is technical or minor in nature.”

The Metro submittal includes Exhibit F, Findings of Fact and Conclusions of Law, that presents Metro’s determination of compliance with all relevant statewide planning goals. Record at 13-24. The director has reviewed those findings and concludes that the UGB amendment submittal complies on the whole with the goals. Additionally, the director makes the following focused conclusions.

“(1) The new construction mix and minimum residential density standards of OAR 660-007-0030 through 660-007-0037 shall be applicable at each periodic review. During each periodic review local government shall prepare findings regarding the cumulative effects of all plan and zone changes affecting residential use. The jurisdiction’s buildable lands inventory (updated pursuant to 660-007-0045) shall be a supporting document to the local jurisdiction’s periodic review order.

“(2) For plan and land use regulation amendments which are subject to OAR 660, Division 18 [post-acknowledgment plan amendments], the local jurisdiction shall either:

“(a) Demonstrate through findings that the mix and density standards in this Division are met by the amendment; or

“(b) Make a commitment through the findings associated with the amendment that the jurisdiction will comply with provisions of this Division for mix or density through subsequent plan amendments.”

Coordination

Goal 2 provides “[e]ach plan and related implementation measure shall be coordinated with the plans of affected governmental units.” As used in Goal 2, a regional framework plan is “coordinated” once “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 197.015(5). Previously, the commission stated the coordination requirement as follows:

“the coordination requirement is satisfied where Metro has engaged in an exchange of information regarding an affected governmental unit’s concerns, put forth a reasonable effort to accommodate those concerns and legitimate interests as much as possible, and made findings responding to legitimate concerns.”
LCDC Order 05-WKTASK-001637 at 10.

Metro detailed its coordination efforts with local governments and state agencies in its findings. Record at 1184-1185. The director concludes that Metro satisfied the coordination requirement through the Metro Technical Advisory Committee, the Metro Policy Advisory Committee, and direct information exchanges with Sherwood, the affected local government. Metro also coordinated with other groups of stakeholders with interest in the process, such as affected neighborhood associations and business groups.

Population Projections

Goal 14 identifies the required considerations for changes to urban growth boundaries, as follows:

“Establishment and change of urban growth boundaries shall be based on the following:
“(1) Demonstrated need to accommodate long range urban population, consistent with a 20-year population forecast coordinated with affected local governments[.]”

OAR 660-032-0030 implements ORS 195.036 by requiring Metro to issue a coordinated population forecast for the region and providing methodology standards.⁶

⁶ OAR 660-032-0030 provides in part:

“(1) Metro, in coordination with local governments within its boundary, shall issue a coordinated population forecast for the entire area within its boundary, to be applied by Metro and local governments within the boundary as the basis for a change to a regional framework plan, comprehensive plan or land use regulation, when such change must be based on or requires the use of a population forecast.

Included within Exhibit E to Metro Ordinance 24-1520 is Metro's 2024 Regional Population, Household, and Employment Forecast, which includes forecast estimates of the future total population, households, and employment by sector for the seven-county Metropolitan Statistical Area (MSA). Record at 41, 58, and 69. Metro decided to utilize the medium, or baseline, population and employment growth scenario over the planning period, settling on anticipated population growth of about 315,000 people and 110,400 additional jobs in the MSA by 2044. Metro summarized the forecast work in the 2024 Urban Growth Report as well as in its adopted findings. Record at 20 and 1182. The director finds that these materials demonstrate that Metro has completed a coordinated population forecast for the entire area within its boundary using commonly accepted practices and standards for population forecasting, consistent with the requirements of OAR 660-032-0030.

"(4) The Metro forecast must be developed using commonly accepted practices and standards for population forecasting used by professional practitioners in the field of demography or economics. The forecast must be based on current, reliable and objective sources and verifiable factual information, and must take into account documented long-term demographic trends as well as recent events that have a reasonable likelihood of changing historical trends. Metro must coordinate with the [Portland State University Population Research Center] in the development and allocation of its forecast.

"(5) The population forecast developed under the provisions of (1) through (4) of this rule is a prediction which, although based on the best available information and methodology, should not be held to an unreasonably high level of precision. For a forecast used as a basis for a decision adopting or amending the Metro regional urban growth boundary submitted to the Department of Land Conservation and Development (DLCD) under ORS 197.626, the director of DLCD or the Land Conservation and Development Commission may approve the forecast provided it finds that any failure to meet a particular requirement of this rule is insignificant and is unlikely to have a significant effect on the determination of long term needs for the Metro urban area under OAR 660-024-0040."

Residential Buildable Land Inventory

ORS 197A.350(3) and (4) govern Metro's preparation of its residential buildable lands inventory.⁷ OAR 660-024-0050(1) also requires the buildable lands inventory.⁸

Exhibit E to Metro Ordinance 24-1520 also includes Metro's 2024 Buildable Lands Inventory. Record at 175-249. The Buildable Lands Inventory provides an explanation of the methodology used to determine lands likely to be redeveloped, as well as development and land data from the 24 cities and portions of three counties that are located within the Metro UGB. Record at 193-204. The Buildable Lands Inventory also includes a summary and maps of vacant and redevelopable land within the Metro UGB. Record 178-191. Appendix 1 includes Metro's regional population and employment forecast. Record at 87. Metro used this forecast to create three residential demand scenarios (low, baseline, and high) and paired them with different residential supply scenarios. Appendix 8 contains the details of these scenarios. Record at 1037. As

⁷ ORS 197A.350 provides, in part:

"(3) In performing the duties under subsection (2) of this section, Metro shall:

"(a) Inventory the supply of buildable lands within the urban growth boundary and determine the housing capacity of the buildable lands;

"* * * * *

"(4)(a) For the purpose of the inventory described in subsection (3)(a) of this section, "buildable lands" includes:

"(A) Vacant lands planned or zoned for residential use;

"(B) Partially vacant lands planned or zoned for residential use;

"(C) Lands that may be used for a mix of residential and employment uses under the existing planning or zoning; and

"(D) Lands that may be used for residential infill or redevelopment.

"* * * * *

"(c) Except for land that may be used for residential infill or redevelopment, Metro shall create a map or document that may be used to verify and identify specific lots or parcels that have been determined to be buildable lands."

⁸ OAR 660-024-0050(1) provides, in part:

"When evaluating or amending a UGB, a local government must inventory land inside the UGB to determine whether there is adequate development capacity to accommodate 20-year needs determined in OAR 660-024-0040. For residential land, the buildable land inventory must include vacant and redevelopable land, and be conducted in accordance with OAR 660-007-0045 or 660-008-0010, whichever is applicable, and ORS 197.296 for local governments subject to that statute[.]"

summarized in Metro's findings, the analysis concludes that the existing UGB contains the capacity for 175,500 housing units. Record at 1188. The tables provided within the Buildable Lands Inventory show a comprehensive summary of vacant and redevelopable land remaining within the Metro UGB for all local governments within the Metro area consistent with the requirements of ORS 197A.350(3) and (4). Record at 178-182.

Metropolitan Housing Rule

The Commission's Metropolitan Housing Rule is provided in OAR chapter 660, division 7. Metro's determination of housing needs must be consistent with the requirements for doing so provided in division 7. OAR 660-024-0040(4). Otherwise, division 7 does not provide applicable review standards for this submittal.

Division 7 incorporates the statutory definition of "buildable lands" at ORS 197A.015(2) and expounds upon it.⁹ In accordance with the OAR 660-007-0005(3) assumption that publicly owned land is generally not considered available for residential uses, Metro removed tax exempt property coded as city, state, and federal, except property owned by housing authorities. Additionally, Metro removed parks, open space, school, church, and social organization properties, private streets and private residential common areas, where possible. Record at 146. For vacant buildable lands, Metro also determined the net unconstrained amount by removing land not considered 'suitable and available' because it is severely constrained by natural hazards, subject to natural resource protection measures, has steep slopes, is within the floodway, or any combination thereof. Record at 193-197. For the 100-year floodplain, Metro removed 100 percent of single-family residential tax lots, and 50 percent of multi-family tax lots. Metro based its analysis on its environmental regulations found in Urban Growth Management Functional Plan Title 3 (Water Quality and Flood Management) and Title 13 (Nature in Neighborhoods), but also assumed one dwelling unit per residentially-

⁹ OAR 660-007-0005(3) provides:

"'Buildable Land' means residentially designated land within the Metro urban growth boundary, including both vacant and developed land likely to be redeveloped, that is suitable, available and necessary for residential uses. Publicly owned land is generally not considered available for residential uses. Land is generally considered 'suitable and available' unless it:

"(a) Is severely constrained by natural hazards as determined under Statewide Planning Goal 7;

"(b) Is subject to natural resource protection measures determined under Statewide Planning Goals 5, 6 or 15;

"(c) Has slopes of 25 percent or greater;

"(d) Is within the 100-year flood plain; or

"(e) Cannot be provided with public facilities."

zoned tax lot if environmental encumbrances would limit development such that no dwelling units would otherwise be permitted to “essentially avoid takings.” Record at 195-197. In identifying buildable lands, Metro also considered areas that cannot be provided with public facilities by treating certain areas formerly known as the City of Damascus as a part of unincorporated Clackamas County. Record at 175. To account for the uncertainty in forecasting the assumed densities resulting from local government implementation of House Bill 2001(2019), Metro also included a range of possible development scenarios showing different rates of utilization of single-family, middle housing, and multi-family units. Record at 198.

The director concludes that Metro has complied with the Metropolitan Housing Rule by implementing the “buildable lands” provisions of division 7 in preparing its buildable lands inventory.

Housing Needs Analysis

ORS 197A.350(3)(b) and (5) govern Metro’s determination of needed housing for the 20-year planning period.¹⁰ Appendix 5A: Residential Development Indicators provides

¹⁰ ORS 197A.350 provides, in part:

“(3) In performing the duties under subsection (2) of this section, Metro shall:

“* * * * *

“(b) Conduct an analysis of existing and projected housing need by type and density range, in accordance with all factors under ORS 197A.348 and statewide planning goals and rules relating to housing, to determine the number of units and amount of land needed for each needed housing type for the next 20 years.

“* * * * *

“(5)(a) “Except as provided in paragraphs (b) and (c) of this subsection, the determination of housing capacity pursuant to subsection (3)(a) of this section must be based on data relating to land within the urban growth boundary that has been collected since the last review under subsection (2)(a)(B) of this section. The data shall include:

“(A) The number, density and average mix of housing types of urban residential development that have actually occurred;

“(B) Trends in density and average mix of housing types of urban residential development;

“(C) Market factors that may substantially impact future urban residential development; and

“(D) The number, density and average mix of housing types that have occurred on the buildable lands described in subsection (4)(a) of this section.

“(b) Metro shall make the determination described in paragraph (a) of this subsection using a shorter time period than the time period described in paragraph (a) of this subsection if Metro

the indicator data required by ORS 197A.350(5) and ORS 197A.370.¹¹ Record at 272-290. Metro included data on urban residential development within the UGB, with a focus on gross new units. Metro provided data on land usage, housing density, housing type, total number and average mix of housing types, including trends in density and average mix of housing types of urban residential development, record at 277-290; demographic and population trends, record at 291-295; economic trends and cycles, record at 296-297; and the number, density and average mix of housing types that have occurred on

finds that the shorter time period will provide more accurate and reliable data related to housing capacity. The shorter time period may not be less than three years.

“(c) Metro shall use data from a wider geographic area or use a time period longer than the time period described in paragraph (a) of this subsection if the analysis of a wider geographic area or the use of a longer time period will provide more accurate, complete and reliable data relating to trends affecting housing need than an analysis performed pursuant to paragraph (a) of this subsection. Metro must clearly describe the geographic area, time frame and source of data used in a determination performed under this paragraph.”

¹¹ ORS 197A.370 provides, in part:

“(1) A metropolitan service district organized under ORS chapter 268 shall compile and report to the Department of Land Conservation and Development on performance measures as described in this section at least once every two years. The information shall be reported in a manner prescribed by the department.

“(2) Performance measures subject to subsection (1) of this section shall be adopted by a metropolitan service district and shall include but are not limited to measures that analyze the following:

“(a) The rate of conversion of vacant land to improved land;

“(b) The density and price ranges of residential development, including both single family and multifamily residential units;

“(c) The level of job creation within individual cities and the urban areas of a county inside the metropolitan service district;

“(d) The number of residential units added to small sites assumed to be developed in the metropolitan service district’s inventory of available lands but which can be further developed, and the conversion of existing spaces into more compact units with or without the demolition of existing buildings;

“(e) The amount of environmentally sensitive land that is protected and the amount of environmentally sensitive land that is developed;

“(f) The sales price of vacant land;

“(g) Residential vacancy rates;

“(h) Public access to open spaces; and

“(i) Transportation measures including mobility, accessibility and air quality indicators.”

the buildable lands, record at 276-278. The director concludes that Metro compiled the data relating to land within the UGB as required by ORS 197A.350(5).

The Housing Needs Analysis (HNA) provides a complete analysis of land available within the existing UGB for housing and a projection of housing needs over the planning period, including analysis of income level and housing affordability data. Record at 1038. After forecasting household growth for the 7-county MSA, Metro applied an assumed 70.7% UGB capture rate to determine housing need in the Metro UGB. Metro then applied a vacancy rate of 5 percent to allow household moves within the UGB and to convert households into housing units. As summarized in the Urban Growth Report, projected housing needs, expressed in the number of new dwelling units needed over the 2024-2044 planning period are as follows:

Table 2: Steps for translating 7-county MSA household growth into Metro UGB future housing units needed (2024-2044)

7-county total Household growth 2024-2044 <i>Baseline, most likely forecast</i>	203,500
UGB capture rate	70.7%
UGB total household growth 2024-2044	143,900
Housing units needed per new household (5% vacancy rate)	1.05
UGB total housing units needed 2024-2044	151,100

Record at 58.

Adding the current housing need estimate based on the required factors in ORS 197A.348(2)(b) through (d) results in a total of 178,000 units of total housing need. Metro goes on to account for housing underproduction, units for people experiencing homelessness, and the impact of second and vacation homes to adjust the amount of total housing need.

As summarized in the Urban Growth Report, current and future housing needs, by housing type, over the 2024-2044 planning period are as follows:

Table 3: Current and future housing needs for the Metro UGB, baseline scenario (2024-2044)

	single-detached	middle housing	multi family	Total
Future Need: Baseline, most likely forecast	57,400	33,250	60,450	151,100
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 homelessness	-	40	8,653	8,693
Total Housing Need (rounded)	59,200	37,100	81,700	178,000

Needed housing mix	33%	21%	46%	100%
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Record at 61.

In summary, the HNA concludes that the existing Metro UGB includes sufficient land for multifamily housing to satisfy the 20-year need for such land, but a deficit of land needed to accommodate the needed single-detached and middle housing units identified above. Record at 64. In Exhibit F, Metro notes that this yields a regional capacity deficit for single unit detached and middle housing that of approximately 3,100 units, and that Metro Ordinance 24-1520, “includes a condition of approval requiring the city to plan for either 3,120 housing units in the expansion area or an average density of 9.2 units per net acre in residentially zoned areas”. Record at 1191. The director concludes that Metro’s HNA derives the anticipated housing demand over the planning period with the consideration of available data and use of a sound methodology, consistent with the requirements of ORS 197A.350(3)(b) and (5).

Reconciliation of Residential Buildable Lands Inventory and Housing Needs Analysis

ORS 197A.350(6) governs the process by which Metro reconciles any shortfalls found in the residential buildable lands inventory in providing a 20-year supply of housing as

determined by the HNA.¹² Statewide Planning Goal 14 and OAR 660-024-0050 describe requirements for Metro to consider for amendments to its UGB.¹³

¹² ORS 197A.350(6) provides:

"If the housing need determined * * * is greater than the housing capacity determined * * * Metro shall take one or both of the following actions to accommodate the additional housing need:

"(a) Amend its urban growth boundary to include sufficient buildable lands to accommodate housing needs for the next 20 years. As part of this process, Metro shall consider the effects of measures taken pursuant to paragraph (b) of this subsection. The amendment shall include sufficient land reasonably necessary to accommodate the siting of new public school facilities. The need and inclusion of lands for new public school facilities shall be a coordinated process between the affected public school districts and Metro that has the authority to approve the urban growth boundary.

"(b) Amend its regional framework plan, functional plan or land use regulations to include new measures that demonstrably increase the likelihood that residential development will occur at densities sufficient to accommodate housing needs for the next 20 years without expansion of the urban growth boundary. If Metro takes this action, Metro shall adopt findings regarding the density expectations assumed to result from measures adopted under this paragraph based upon the factors listed in ORS 197A.348 (2) and data in subsection (5)(a) of this section. The density expectations may not project an increase in residential capacity above achieved density by more than three percent without quantifiable validation of such departures. A quantifiable validation must demonstrate that the assumed housing capacity has been achieved in areas within Metro that are zoned to allow no greater than the same authorized density level, as defined in ORS 227.175."

¹³ Regarding land need, Goal 14 provides:

"Establishment and change of urban growth boundaries shall be based on the following:

"(1) Demonstrated need to accommodate long range urban population, consistent with a 20-year population forecast coordinated with affected local governments, * * * and

"(2) Demonstrated need for housing, employment opportunities, livability or uses such as public facilities, streets and roads, schools, parks or open space, or any combination of the need categories in this subsection (2). In determining need, local government may specify characteristics, such as parcel size, topography or proximity, necessary for land to be suitable for an identified need. Prior to expanding an urban growth boundary, local governments shall demonstrate that needs cannot reasonably be accommodated on land already inside the urban growth boundary."

OAR 660-024-0050 provides:

"(4) If the inventory demonstrates that the development capacity of land inside the UGB is inadequate to accommodate the estimated 20-year needs determined under OAR 660-024-0040, the local government must amend the plan to satisfy the need deficiency, either by increasing the development capacity of land already inside the city or by expanding the UGB, or both, and in accordance with ORS 197.296 where applicable. Prior to expanding the UGB, a local government must demonstrate that the estimated needs cannot reasonably be accommodated on land already inside the UGB. If the local government determines there is a need to expand the UGB,

Metro determined that most of the projected housing need over the planning period, including 56,500 single-detached housing units, 36,700 middle family housing units, and 82,300 multifamily housing units, may be accommodated within the existing UGB. Record at 56. However, Metro determined that there is an anticipated gap of 2,700 single-detached units and 400 middle housing units that cannot be accommodated within the current UGB. Based on this analysis, Metro concludes that the selected UGB expansion area provides the additional land needed to meet its identified need for single-family housing. The director finds that Metro's reasoning is supported by the HNA information and analysis and is consistent with the direction provided in ORS 197A.350(6), Goal 14, and OAR 660-024-0050(4) regarding the accommodation of projected housing needs.¹⁴

Employment Land Analysis

OAR 660-024-0050(1) requires an inventory and analysis of employment land, including suitable and vacant and developed land, when evaluating or amending a UGB. OAR 660-009-0015 sets forth required content and methodologies for that analysis.¹⁵

While by its terms, OAR 660-009-0015 applies only to "cities and counties," OAR 660-024-0050(1) requires Metro, prior to expanding its UGB, to address provisions within OAR 660-009-0015 through its inventory. Metro has provided the required review of national, state, regional, county, and local trends. Record at 264-271. Metro provides analysis and mapping of employment land site characteristics in Appendix 6. Record at 301-325. This analysis includes the required identification of needed site types,

changes to the UGB must be determined by evaluating alternative boundary locations consistent with Goal 14 and applicable rules at OAR 660-024-0060 or 660-024-0065 and 660-024-0067."

¹⁴ Additional analysis and findings regarding consideration of reasonable accommodation measures under OAR 660-024-0050(4) are included later in the portion of this order responding to objections.

¹⁵ OAR 660-009-0015 provides, in part:

"Cities and counties must review and, as necessary, amend their comprehensive plans to provide economic opportunities analyses containing the information described in sections (1) to (4) of this rule. This analysis will compare the demand for land for industrial and other employment uses to the existing supply of such land.

"(1) Review of National, State, Regional, County and Local Trends. * * * * *

"(2) Identification of Required Site Types. * * * * *

"(3) Inventory of Industrial and Other Employment Lands. * * * * *

"(4) Assessment of Community Economic Development Potential. * * * * *

inventory of industrial and other employment lands, and assessment of community economic development potential.

As summarized in the Urban Growth Report, estimated employment land capacity, expressed in the number of buildable acres, over the 2024-2044 planning period are as follows:

Table 4: Employment capacity in the Metro UGB as reviewed by local jurisdictions

Capacity type	Industrial buildable acres	Commercial buildable acres
Vacant	2,405	288
Infill	2,803	147
Redevelopment	59	46
New urban areas	65	33
Total	5,331	514

Record at 76.

Metro compared the employment forecast to the buildable land inventory in detail in the Urban Growth Report and concluded that there is an estimated baseline regional demand from 2024-2044 for 1,400 buildable acres needed for industrial employment and 800 buildable acres needed for commercial development.

Table 5: Industrial and commercial land capacity gap for Metro UGB 2024-2044

	Capacity (acres)	Demand (acres)	Surplus or deficit (acres)
Industrial	5,331	1,400	+3,931
Commercial	514	800	-286

Record at 77 and 83.

Based on its analysis of economic opportunities under OAR 660-009-0015, Metro determined that there is a surplus of industrial lands inside the UGB for meeting expected employment growth. However, in the Urban Growth Report, Metro detailed that although there was generally sufficient capacity for employment, there is a specific deficiency in ability to meet the identified need for large-lot industrial use. Record at 78-81. In Exhibit F, Metro explains, “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, and there is a shortage of larger industrial sites that are in demand for industrial expansion and recruitment.” Record at 1192. Again, Goal 14 allows Metro, in determining need, to specify characteristics, such as “parcel size, topography or proximity, necessary for land to be suitable for an identified need.” The director concludes that Metro has utilized such site characteristics in its identification of employment land need.

Metro also determined that a deficit of 286 acres of commercial lands exists within the current UGB to meet employment land needs over the 20-year planning period. Record at 83. In its findings in Exhibit F, Metro states,

“Regarding commercial employment land, applying the baseline growth forecast, the 2024 Urban Growth Report identifies a capacity of 514 acres inside the existing UGB and a demand for approximately 800 acres, leaving a deficit of approximately 286 acres. The city’s concept plan provides that 135 acres will be planned for a commercial zone in the southern portion of the Sherwood West area. As noted in Appendix 3 of the Urban Growth Report, some commercial employment categories may be accommodated within industrial areas. The very minor remaining commercial land deficit of about 150 acres represents less than half of one percent of the existing inventory of 5,331 acres of industrial land inside the existing UGB. The Metro Council finds that the mathematically insignificant deficit of about 150 commercial acres may be accommodated within the region’s existing inventory of 5,331 acres of industrial land over the next 20 years.” Record at 1195.

Metro asserts in Exhibit F that Goal 9 does not otherwise apply to Metro specifically. Record at 1209. The director agrees. See OAR 660-009-0010(1) (“This division applied to comprehensive plans for areas within urban growth boundaries.” Metro plans are not a comprehensive plan. ORS 197.015(16)). The director concludes that the employment lands need analysis in this submittal complies with OAR 660-024-0050(1), Goal 9, and OAR 660-009-0015.

Metro Boundary Location Alternatives Analysis

ORS 197A.355, Goal 14, and OAR 660-024-0060 provide direction to Metro when considering a Metro UGB amendment.¹⁶ The director reviews Metro’s Analysis of UGB

¹⁶ ORS 197A.355 (1) provides, in part:

“In addition to any requirements established by rule addressing urbanization, land may not be included within an urban growth boundary of Metro except under the following priorities:

“(a) First priority is land that is designated urban reserve land under ORS 197A.245, rule or Metro action plan.

Goal 14, Boundary Location, provides:

“The location of the urban growth boundary and changes to the boundary shall be determined by evaluating alternative boundary locations consistent with ORS 197A.320 or, for the Metropolitan Service District, ORS 197.298, and with consideration of the following factors:

“(1) Efficient accommodation of identified land needs;

“(2) Orderly and economic provision of public facilities and services;

“(3) Comparative environmental, energy, economic and social consequences; and

“(4) Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.”

OAR 660-024-0060 provides, in part:

“(1) When considering a Metro UGB amendment, Metro must determine which land to add by evaluating alternative urban growth boundary locations. For Metro, this determination must be consistent with the priority of land specified in ORS 197.298 and the boundary location factors of Goal 14, as follows:

“(a) Beginning with the highest priority of land available, Metro must determine which land in that priority is suitable to accommodate the need deficiency determined under OAR 660-024-0050.

“(b) If the amount of suitable land in the first priority category exceeds the amount necessary to satisfy the need deficiency, Metro must apply the location factors of Goal 14 to choose which land in that priority to include in the Metro UGB.

“* * * * *

“(3) The boundary location factors of Goal 14 are not independent criteria. When the factors are applied to compare alternative boundary locations and to determine the Metro UGB location, Metro must show that all the factors were considered and balanced.

“(4) In determining alternative land for evaluation under ORS 197.298, ‘land adjacent to the UGB’ is not limited to those lots or parcels that abut the UGB, but also includes land in the vicinity of the UGB that has a reasonable potential to satisfy the identified need deficiency.

“* * * * *

“(6) The adopted findings for a Metro UGB adoption or amendment must describe or map all of the alternative areas evaluated in the boundary location alternatives analysis. If the analysis involves more than one parcel or area within a particular priority category in ORS 197.298 for which circumstances are the same, these parcels or areas may be considered and evaluated as a single group.

“(7) For purposes of Goal 14 Boundary Location Factor 2, ‘public facilities and services’ means water, sanitary sewer, storm water management, and transportation facilities.

“(8) The Goal 14 boundary location determination requires evaluation and comparison of the relative costs, advantages and disadvantages of alternative Metro UGB expansion areas with respect to the provision of public facilities and services needed to urbanize alternative boundary locations. This evaluation and comparison must be conducted in coordination with service providers, including the Oregon Department of Transportation (ODOT) with regard to impacts on the state transportation system. ‘Coordination’ includes timely notice to service providers and the consideration of evaluation methodologies recommended by service providers. The evaluation and comparison must include:

“(a) The impacts to existing water, sanitary sewer, storm water and transportation facilities that serve nearby areas already inside the Metro UGB;

Expansion Candidate Areas, record at 326-924 and findings, record at 1195-1200, for compliance with the statutory and regulatory hierarchy of lands and consideration of the necessary factors in determining where to expand the UGB.

Metro's location alternatives analysis follows the prioritization required in OAR 660-024-0060 and ORS 197A.355(1). Specifically, all areas considered for inclusion within the Metro UGB are urban reserve lands, which ORS 197A.355(1) identifies as the top priority for inclusion within an UGB. Record at 1196. The Preliminary UGB Alternatives Analysis includes consideration of the Goal 14 locational factors, as well as detailed summary reports for each of the 27 analyzed urban reserve areas. Record at 334-336, 348-924. It is important to reiterate the provisions of OAR 660-024-0060(3), which provides that the boundary location factors of Goal 14 are not independent criteria. See *1000 Friends of Oregon v. Metro*, 174 Or App 406, 409-410, 26 P3d 151 (2001) (requirement that each factor must be addressed does not make the factors independent approval criteria). Metro is charged with consideration of each factor and balancing of the factors in reaching a decision. As part of the detailed summary reports for the urban reserve areas, Metro has provided a complete analysis of public facilities and services needed to serve each area, along with consideration of the boundary location factors of Goal 14 for each area. Therefore, the director concludes that Metro's boundary location analysis is consistent with ORS 197A.355, Goal 14, and OAR 660-024-0060.

Schedule for Accommodating Needed Housing

ORS 197A.362(1) requires Metro to complete the inventory, determination, and analysis of residential land need and residential buildable lands required by ORS 197A.350(3) not later than six years after the completion of the previous inventory, determination, and analysis. Metro adopted the 2018 Urban Growth Report six years ago and has now adopted the 2024 Urban Growth Report. Record at 1047-1048. The director concludes that the submittal complies with ORS 197A.362(1).

Metro Review Criteria

The director reviewed the submittal for compliance with the Metro functional plan under ORS 197.633(3)(c).¹⁷ However, the director applies a more deferential standard of

“(b) The capacity of existing public facilities and services to serve areas already inside the UGB as well as areas proposed for addition to the Metro UGB; and

“(c) The need for new transportation facilities, such as highways and other roadways, interchanges, arterials and collectors, additional travel lanes, other major improvements on existing roadways and, for urban areas of 25,000 or more, the provision of public transit service.”

¹⁷ ORS 197.633(3) provides, in part:

“The commission’s standard of review:

review than it does in reviewing for compliance with the statutes, goals, and administrative rules. ORS 197.633(3)(c); ORS 197.829. Based upon this standard, the director concludes that the submittal complies with Metro's review criteria.

Urban Growth Management Functional Plan, Title 11: Planning for New Urban Areas

Title 11 provides both a guide for long-range planning for areas Metro adds to its UGB and interim protection for areas added to the UGB prior to urbanization. Metro Code section 3.07.1105. In furtherance of those purposes, Title 11 requires concept plans for new urban areas prior to inclusion into the UGB.¹⁸

“* * * * *

“(c) For issues concerning compliance with applicable laws, is whether the local government's decision on the whole complies with applicable statutes, statewide land use planning goals, administrative rules, the comprehensive plan, the regional framework plan, the functional plan and land use regulations. The commission shall defer to a local government's interpretation of the comprehensive plan or land use regulations in the manner provided in ORS 197.829. For purposes of this paragraph, 'complies' has the meaning given the term 'compliance' in the phrase 'compliance with the goals' in ORS 197.627.”

¹⁸ Title 11, Metro Code section 3.07.1110(b) provides:

“A local government, in creating a concept plan to comply with this section, shall consider actions necessary to achieve the following outcomes:

“(1) If the plan proposes a mix of residential and employment uses:

“(A) A mix and intensity of uses that will make efficient use of the public systems and facilities described in subsection (c);

“(B) A development pattern that supports pedestrian and bicycle travel to retail, professional and civic services;

“(C) A range of housing of different types, tenure and prices addressing the housing needs in the prospective UGB expansion area in the context of the housing needs of the governing city, the county, and the region if data on regional housing needs are available, in order to help create economically and socially vital and complete neighborhoods and cities and avoiding the concentration of poverty and the isolation of families and people of modest means;

“(D) Sufficient employment opportunities to support a healthy economy, including, for proposed employment areas, lands with characteristics, such as proximity to transportation facilities, needed by employers;

“(E) Well-connected systems of streets, bikeways, parks, recreational trails and public transit that link to needed housing so as to reduce the combined cost of housing and transportation;

“(F) A well-connected system of parks, natural areas and other public open spaces;

Sherwood proposed an area for expansion in the Metro UGB and adopted a concept plan under Title 11. Record at 7096. Metro staff, various policy and technical advisory committees, and the Metro Council reviewed the Sherwood concept plan. Metro determined the concept plan complied with Title 11. Record at 1201. The concept plan specifically addresses Title 11. Record at 6295. The director concludes that the submittal complies with the provisions of Title 11.

Urban Growth Management Functional Plan, Title 14: Urban Growth Boundary

Title 14 prescribes criteria and procedures for amendments to the Metro UGB. Metro Code section 3.07.1405. Like Goal 14, the purpose of Title 14 is to create a clear transition from rural to urban development, an adequate supply of urban land to accommodate long-term population and employment, and a compact urban form. Title 14 describes criteria and procedures for amendments to the UGB to achieve these objectives. Metro Code section 3.07.1420 provides the procedures for legislative amendment to the UGB, while Metro Code section 3.07.1425 provides the criteria. Metro establishes compliance with Goal 14 through compliance with those provisions. Metro Code section 3.07.1425(a).

Metro reviewed 27 urban reserves areas as a two-step process.¹⁹ First, Metro performed a review of the Goal 14 locational factors. Record at 329-924. Metro has code provisions, Metro Code section 3.07.1425(c)(1) through (4), that are coextensive with the four boundary location factors of Goal 14. See note 16. Second, Metro performed a review of 20 urban reserve areas using additional locational factors in Title 14. Metro used the Title 14 factors in Metro Code section 3.07.1425(c) that are in addition to the Goal 14 factors, specifically:

“(5) Equitable and efficient distribution of housing and employment opportunities throughout the region;

“(6) Contribution to the purposes of Centers and Corridors;

“(7) Protection of farmland that is most important for the continuation of commercial agriculture in the region;

“(G) Protection of natural ecological systems and important natural landscape features; and

“(H) Avoidance or minimization of adverse effects on farm and forest practices and important natural landscape features on nearby rural lands.”

¹⁹ Metro evaluated 27 urban reserves areas in the Goal 14 locational factors analysis. Based on the results of the Goal 14 analysis, Metro used a smaller set of urban reserve areas, 20, in the second step for the Title 14 alternative locational factors analysis.

“(8) Avoidance of conflict with regionally significant fish and wildlife habitat; and

“(9) Clear transition between urban and rural lands, using natural and built features to mark the transition.”

Metro considered the 20 urban reserve areas for Title 14 and the Metro Council’s six desired outcomes²⁰. The methodology and the analysis of each of the 20 urban reserve areas are detailed in Exhibit E of the Urban Growth Report attachment 7A Analysis of UGB Expansion Candidate Areas Metro Code Factors. Record at 925-1036. Metro found that only eight of the 20 urban reserve areas received a “high” score in more than one Metro Code factor. Record at 933. Metro found Sherwood West to have the highest score under the “contribution to the purposes of Centers and Corridors” factor. Under the remaining three factors, Metro found that Sherwood West was rated “medium” and “high” and found the area to be the most efficient because it is the most likely to be developed in the 20-year time frame compared to the other reserve areas that were studied that lacked governance, development, and urban services.

As required by Metro Code section 3.07.1445 for a legislative amendment of its UGB under Metro Code section 3.07.1420, Metro included conditions of approval on land added to the UGB. Record at 14-16. In its “Conditions of Approval on Land Added to UGB,” Metro included conditions that Sherwood meet the requirements of Metro Code section 3.07.1120 “Planning for Areas Added to the UGB” and established a four-year time-period for the city to complete the planning requirements of Title 11; designated the city responsible for adopting comprehensive plan and land use regulations to allow urbanization in accordance with concept plans; directed Sherwood, in its comprehensive planning, to identify “at least one Main Street or Neighborhood Center” 2040 Growth Concept design type designation in the expansion area; applied the “Title

²⁰ Chapter One of the Metro Regional Framework Plan provides, in part:

“It is the policy of the Metro Council to exercise its powers to achieve the following six outcomes, characteristics of a successful region:

“1. Vibrant communities – People live, work, and play in vibrant communities where their everyday needs are easily accessible.

“2. Economic prosperity – Current and future residents benefit from the region’s sustained economic competitiveness and prosperity.

“3. Safe and reliable transportation – People have safe and reliable transportation choices that enhance their quality of life.

“4. Leadership on climate change – The region is a leader in minimizing contributions to global warming.

“5. Clean air and water – Current and future generations enjoy clean air, clean water, and healthy ecosystems.

“6. Equity – The benefits and burdens of growth and change are distributed equitably.”

4 Industrial” designation in the employment area; designated a minimum number of homes for each expansion area; and provided other conditions Metro deems necessary to ensure the addition of land complies with applicable planning laws (e.g. ORS 197A.425(1), OAR chapter 660, division 7). The director finds that the submittal establishes that Metro has complied with the provisions of Title 14.

V. ANALYSIS OF OBJECTIONS

The department received ten objections to Metro’s UGB amendment decision. In Section II.B of this order, the department found all of the objections to meet the requirements of OAR 660-025-0140(2)(a) and (d). The director found several of the objections invalid because they did not clearly identify an alleged deficiency in the submittal either by providing adequate detail regarding the portion of submittal alleged to be deficient or identifying what relevant law, goal, or rule was violated. The department addresses each objection below.

A. First Objection

1000 Friends of Oregon

Objector 1000 Friends of Oregon (“1000 Friends”) identifies several deficiencies in Metro’s decision, including arguing that Metro failed to demonstrate that the UGB expansion complies with the residential and employment land need requirements of OAR 660-024-0040, ORS chapter 197A, Goal 14, and Metro Code sections 3.07.1405 to 3.07.1465. 1000 Friends also asserts that Metro does not demonstrate how the UGB expansion area will reasonably accommodate the region’s estimated residential land needs and does not demonstrate that the UGB expansion will reduce carbon pollution.

The director addresses the objections individually below.

Objection 1.A Residential land need and capacity estimates

1000 Friends objects to Metro’s failure to demonstrate consistency with OAR 660-024-0040, ORS chapter 197A, Goal 14, and Metro Code Sections 3.07.1405 to 3.07.1465 (Title 14), which require showing that estimated needs cannot be reasonably accommodated inside the UGB. Specifically, Metro did not account for the recently adopted Housing Capacity Analysis by the City of Portland finding enough capacity for development and redevelopment within the city to satisfy the identified regional need for 175,500 additional homes. 1000 Friends argues that Metro Council failed to adopt, incorporate, and reassess the capacity for the 20-year land needs for the region based on Portland’s analysis and that, had this been considered, the redevelopment potential rate assumption in Metro’s Urban Growth Report would have increased and resulted in a finding that lands within the existing UGB are sufficient to accommodate the region’s 20-year housing need. 1000 Friends at 6-7.

1000 Friends' remedy is to remand the decision for Metro to, "accept the City of Portland's updated housing production strategy into the 2024 Urban Growth Report's buildable land inventory at which time Metro staff must reassess the region's land needs for current and future housing over a 20-year time period in accordance with OAR 660-024-0040(4)". 1000 Friends objection at 8.

Department Response:

The director disagrees with 1000 Friends for the reasons explained below.

ORS 197A.350(6) requires Metro to accommodate a projected shortfall of residential lands by either putting in place measures to make more efficient use of land within the UGB to meet the need, expanding the UGB to meet the need, or meeting the need through some combination of the first two options. However, Goal 14 (OAR 660-015-0000(14)) and OAR 660-024-0050(4) require that local governments "demonstrate that needs cannot reasonably be accommodated on land already inside the urban growth boundary" prior to expanding an urban growth boundary. 1000 Friends also cites Metro Code sections 3.07.1405 to 3.07.1465 [residential needs and capacity], which are meant to implement ORS 197A.350. Thus, Metro must demonstrate that its identified need cannot be reasonably accommodated through increasing residential capacity within the existing UGB, the alternative set forth in ORS 197A.350(6)(b).

Although Metro's adopted findings do not directly address this requirement, the director reviews the 2024 Urban Growth Report and other information in the record for the required demonstration of land use efficiencies and analysis that support more efficient use of land within the current UGB. Record at 175-250. The Urban Growth Report includes information on residential densities and development trends between 2013 and 2022. Of the 93,000 homes constructed in the region during this timespan, slightly more than half were built through redevelopment rather than development on vacant land. Record at 47. Analysis of the types of housing built also reflect a significant shift towards multi-unit dwellings (56 percent) and "middle housing" types such as townhomes and accessory dwelling units. The study also notes that although single-unit detached homes are the predominant type of housing in the region currently (52 percent of all housing units), the proportion of new single detached units built between 2013 and 2022 was only 30 percent. Record at 48 and 49. Additional findings regarding Metro's efficient use of lands within the current UGB may be found in the department's response to Objection 10.G, and are adopted by reference as findings in response to this objection as well.

Metro begins its analysis of capacity by calculating the amount of vacant and developed land within the Metro UGB. Record at 193-194. Next, Metro removes parcels devoted to public or institutional purposes such as religious institutions, parks, and railways. Record at 194-195. Then Metro discounts lands with known environmental or hazards constraints such as riparian and habitat conservation areas, floodways, and steeply sloped areas, but recognizes that some development may still occur on such lands or

be transferred to unconstrained lands. Record at 195-197. Then Metro removes land needed for future public streets. Record at 197-198. Next, Metro, based upon study and empirical evidence, determines the capacity of residential and mixed-use (residential and another land use, mainly commercial use) of lands, taking into account both past land use patterns and changes in state law such as the end of exclusive single-family residential zoning throughout almost all of Metro's boundaries. Record at 198-202. In its next step, Metro then includes capacity from an analysis of redevelopment opportunities on both residential and mixed-use lands, based upon analysis of past trends and projections of future trends. Record at 202-203. Then Metro takes note of capacity in areas on the urban fringe without current urban zoning, projections for residential conversion of offices, and trends for accessory dwelling units. Record at 203-204.

Based upon this analysis, the director determines that Metro has assessed whether more efficient use of lands within the UGB can reasonably accommodate the identified need as provided in OAR 660-024-0040, ORS 197A.350, Goal 14, and Metro Code Sections 3.07.1405 through 3.07.1465.

The director also disagrees with 1000 Friends' assertion that Metro Council is required to reconsider the capacity for the 20-year land needs for the region based on Portland's Housing Needs Analysis and Housing Production Strategy. Neither statute nor administrative rules require that Metro incorporate locally adopted Housing Capacity Analyses or Housing Production Strategies in their determination of housing need or capacity. ORS 197A.350²¹ describes the requirements for Metro to fulfill its obligations

²¹ ORS 197A.350 provides, in part:

“* * * *

“(2)(a) Metro shall demonstrate that its regional framework plan provides sufficient buildable lands within the urban growth boundary established pursuant to statewide planning goals to accommodate estimated housing needs for 20 years:

“* * * *

“(3) In performing the duties under subsection (2) of this section, Metro shall:

“(a) Inventory the supply of buildable lands within the urban growth boundary and determine the housing capacity of the buildable lands; and

“(4)(a) For the purpose of the inventory described in subsection (3)(a) of this section, “buildable lands” includes:

“(A) Vacant lands planned or zoned for residential use;

“(B) Partially vacant lands planned or zoned for residential use;

“(C) Lands that may be used for a mix of residential and employment uses under the existing planning or zoning; and

“(D) Lands that may be used for residential infill or redevelopment.

“(b) For the purpose of the inventory and determination of housing capacity described in subsection (3)(a) of this section, Metro must demonstrate consideration of:

“(A) The extent that residential development is prohibited or restricted by local regulation and ordinance, state law and rule or federal statute and regulation;

“(B) A written long term contract or easement for radio, telecommunications or electrical facilities, if the written contract or easement is provided to Metro;

“(C) The presence of a single family dwelling or other structure on a lot or parcel; and

“(D) Factors that influence available housing supply, including short-term rentals, second homes and vacation homes.

“(c) Except for land that may be used for residential infill or redevelopment, Metro shall create a map or document that may be used to verify and identify specific lots or parcels that have been determined to be buildable lands.

“(5)(a) Except as provided in paragraphs (b) and (c) of this subsection, the determination of housing capacity pursuant to subsection (3)(a) of this section must be based on data relating to land within the urban growth boundary that has been collected since the last review under subsection (2)(a)(B) of this section. The data shall include:

“(A) The number, density and average mix of housing types of urban residential development that have actually occurred;

“(B) Trends in density and average mix of housing types of urban residential development;

“(C) Market factors that may substantially impact future urban residential development; and

“(D) The number, density and average mix of housing types that have occurred on the buildable lands described in subsection (4)(a) of this section.

“(b) Metro shall make the determination described in paragraph (a) of this subsection using a shorter time period than the time period described in paragraph (a) of this subsection if Metro finds that the shorter time period will provide more accurate and reliable data related to housing capacity. The shorter time period may not be less than three years.

“(c) Metro shall use data from a wider geographic area or use a time period longer than the time period described in paragraph (a) of this subsection if the analysis of a wider geographic area or the use of a longer time period will provide more accurate, complete and reliable data relating to trends affecting housing need than an analysis performed pursuant to paragraph (a) of this subsection. Metro must clearly describe the geographic area, time frame and source of data used in a determination performed under this paragraph.

to demonstrate that the region has sufficient buildable land to accommodate estimated residential needs and prescribes the specific considerations for Metro to include in its regional inventory.

Metro provided findings describing how the model it used for estimating housing capacity meets the requirements of ORS 197A.350. Record at 223-246. As described in Appendix 2, Buildable Lands Inventory, Metro used a “pro forma” model that uses real market values derived from tax assessor data against different development prototypes allowed in the zone to calculate redevelopment. Record at 202 and 230-233.

The director finds that although it used a different model from Portland’s, Metro’s estimate of redevelopment is consistent with ORS 197A.350. Where the evidence in the record is conflicting, if a reasonable person could reach the decisions that Metro made in view of all the evidence in the record, the choice between conflicting evidence belongs to Metro. *Mazeski*, 28 Or LUBA at 184.

Based on the analysis above, the director rejects this objection from 1000 Friends.

Objection 1.B Employment land need

1000 Friends objects to Metro’s employment land needs and capacity as adopted in the Urban Growth Report. 1000 Friends raises two key issues in Objection 1.B, described in this Order as sub-objections 1.B.1 and 1.B.2. 1000 Friends states that “The main question before the Metro Council is whether there is sufficient capacity within the existing UGB to accommodate current and future employment needs...Metro Council has not met the threshold to determine that the employment needs cannot be reasonably accommodated inside the existing UGB.” 1000 Friends objection at 8.

1000 Friends’ proposed remedy is multifold. First, to remand the decision for Metro to, “reassess the Urban Growth Report’s buildable land inventory at which time Metro staff must reassess the region’s land needs for current and future employment” and second, to “include an option for Metro to determine if there is an appropriate and justified designation of lands for industrial uses for the large sites.” 1000 Friends objection at 11.

Department General Response:

This objection is centered on the amount and type of land included in the UGB expansion area. Prior to addressing specific sub-objections, it is helpful to summarize the need and proposed new supply of commercial and industrial land as described in the Urban Growth Report.

Metro Council adopted the “baseline” regional economic forecast described in the Urban Growth Report. Based on this forecast, the report concludes that the Metro UGB has a 3,931-acre surplus of industrial land. Record at 78. The report notes that much of the region’s industrial land supply is in smaller parcels and includes industrial land need for

two 50-acre sites²². Record at 81. The analysis also shows a deficit of 286 acres of land designated for commercial use. Record at 83. Metro proposes that a 135-acre portion of that commercial land need would be satisfied by expansion of the UGB to include the Sherwood West urban reserve. The Urban Growth Report concludes that the remaining 150 acres of commercial land deficit will be satisfied by accommodation of commercial employment growth on land designated for industrial use. Record at 84.

The Sherwood West Concept Plan proposes providing land in the following use categories, totaling 135 acres: commercial (seven acres), mixed-use (25 acres), hospitality (63 acres), schools (40 acres). Record at 1083. The concept plan also includes 130 acres of mixed employment land planned to provide two 50+ acre sites for high tech manufacturing/semiconductor industry development.²³ Record at 1193. Table 1 displays regional land need and supply proposed in the Sherwood West Concept Plan. Sub-objection 1.B.1 focuses on the 135 acres proposed for commercial use in the UGB expansion area. Sub-objection 1.B.2 addresses the 130 acres proposed for industrial employment.

Table 6: Regional employment land need and proposed accommodation

	Metro Regional Need	Supply Proposed in Sherwood West Concept Plan	Remaining Employment Land Deficit
Commercial Land	Deficit: 286 acres	135 acres (commercial, mixed use, hospitality, schools)	~150 acres
Industrial Land	Surplus: 3,931 acres		0
High Tech Manufacturing sites	Deficit: 2 sites of 50+ acres	130 acres (mixed employment area)	0

Sub-objection 1.B.1: Commercial land need

Sub-objection 1.B.1 focuses specifically on employment land included in the Sherwood West Concept Plan not designated for industrial use. 1000 Friends describes this land as “approximately 135 acres of hospitality/retail use” but this Order will refer to this as

²² This need is documented by the Oregon Semiconductor Task Force in its 2022 report "Seizing Opportunity," which is incorporated into the Urban Growth Report as Exhibit E, Appendix 11.

²³ The 2022 federal legislation authorizes roughly \$280 billion in new funding to boost domestic research and manufacturing of semiconductors in the United States.

“commercial land.”²⁴ 1000 Friends objection at 10. This sub-objection is a question of whether Metro has appropriately justified UGB expansion for 135 acres of commercial land. The objector takes issue with Metro’s assumption in the Urban Growth Report that some, but not all, identified commercial land need can be absorbed on land zoned for industrial use inside the existing Metro UGB. 1000 Friends argues that “using that logic consistently, Metro has effectively determined that there is a...surplus of employment lands and, therefore, does not meet the threshold to expand the UGB.” 1000 Friends objection at 11. 1000 Friends also notes trends toward increasing vacancies in existing commercial buildings, lessening further the need for a UGB expansion for commercially-designated land. 1000 Friends objection at 9.

Department Response:

Metro’s Urban Growth Report finds a deficit throughout Metro of 286 acres of commercial land. The Sherwood West Concept Plan, encompassing the area proposed by Metro for a UGB expansion, plans for 135 acres of commercial land.

In Appendix F, Metro’s findings state,

“As noted in Appendix 3 of the [Urban Growth Report], some commercial employment categories may be accommodated within industrial areas. The very minor remaining commercial land deficit [within the entire Metro area] of about 150 acres represents less than half of one percent of the existing inventory of 5,331 acres of industrial land inside the existing UGB. The Metro Council finds that the mathematically insignificant deficit of about 150 commercial acres may be accommodated within the region’s existing inventory of 5,331 acres of industrial land over the next 20 years.” Record at 1195.

Looking at the region as a whole, the director finds the Metro has adequately justified the identified need for additional commercial employment lands through the employment land needs analysis described in Urban Growth Report Appendix 3. Record at 250. The resulting deficit of commercial land is supported by the employment land inventory included in Appendix 6. Record at 307. Metro conducted the employment land inventory in a manner consistent with the requirements described in OAR 660-024-0050(1):

“When evaluating or amending a UGB, a local government must inventory land inside the UGB to determine whether there is adequate development capacity to accommodate 20-year needs determined in OAR 660-024-0040. * * * * * For employment land, the inventory must include suitable vacant and developed land designated for industrial or other employment use, and must be conducted in accordance with OAR 660-009-0015.”

²⁴ Although not all uses identified in the Sherwood West Concept Plan and included in the 135 acres may be zoned for commercial development, the broader designations of commercial and industrial land correspond to supply, and demand described in the regional employment lands inventory.

Metro's findings reflect its compliance with this rule, identifying key requirements and land characteristics evaluated in the buildable lands inventory. The findings note "the approach utilized by Metro to comply with the requirements of the Goal 9 rule was developed in consultation with DLCD and is set forth in Appendix 6 of the [Urban Growth Report]." Record at 1191.

1000 Friends' objection raises the question of whether Metro has provided sufficient land to accommodate employment growth in the commercial sector – in a sense the opposite to the direction 1000 Friends takes this issue. Although OAR 660-024-0050(1) requires Metro to conduct an inventory of employment lands consistent with OAR 660-009-0015(3), Inventory of Industrial and Other Employment Lands, Metro asserts in Exhibit F that Goal 9 does not otherwise apply to Metro specifically. Record at 1209. The director agrees.²⁵ See OAR 660-009-0010(1) ("This division applies to comprehensive plans for areas within urban growth boundaries." Metro plans are not a comprehensive plan. ORS 197.015(16)). The director concludes that the employment lands need analysis in this submittal complies with OAR 660-024-0050(1), Goal 9, and OAR 660-009-0015.

OAR chapter 660, division 24 allows local governments a reasonable margin of error and some flexibility in how land need is determined and satisfied through UGB expansion. It is useful to consider the unmet 150-acre commercial land need through the following provisions. OAR 660-0024-0040(1) allows in part:

"The 20-year need determinations are estimates which, although based on the best available information and methodologies, should not be held to an unreasonably high level of precision."

OAR 660-024-0050(5) provides:

"In evaluating an amendment of a UGB submitted under ORS 197.626, the director or the commission may determine that a difference between the estimated 20-year needs determined under OAR 660-024-0040 and the amount of land and development capacity added to the UGB by the submitted amendment is unlikely to significantly affect land supply or resource land protection, and as a result, may determine that the proposed amendment complies with section (4) of this rule."

²⁵ From LCDC Approval Order 12-UGB-001826:

"Because the specific provisions of Goal 9 do not apply to Metro, there are no prescribed guidelines for Metro's determination of an adequate supply, leaving the only standard whether Metro assembled an adequate factual base and properly coordinated with its member jurisdictions as required by Goal 2."

The director therefore concurs with Metro's findings acknowledging that the 150-acre commercial land deficit not satisfied by expansion of the UGB is insignificant in the context of the full regional inventory of employment land. Record at 1195. As a proportion of all employment land inside the existing UGB, the 150-acre need is an even less significant amount of land. The director determines that this amount of land is unlikely to significantly affect land supply and further should not be held to an unreasonably high level of precision.

Metro's methods to forecast employment growth and translate job growth to land need are compliant with OAR 660-024-0040 and OAR 660-009-0015. 1000 Friends has not established that Metro's approach to satisfying commercial land need through UGB expansion is inconsistent with OAR 660-024-0050, ORS chapter 197A, and Metro Code Sections 3.07.1405 through 3.07.1465. The director rejects 1000 Friends' objection to inclusion of 135 acres of commercial land in the UGB expansion area.

Sub-objection 1.B.2: Industrial sites and short-term supply

In its second sub-objection, 1000 Friends implies Metro has not justified a UGB expansion for industrial land, stating "there is questionable evidence demonstrating that there is still outstanding demand to compete for historic incentives (several CHIPS and Science Act applications have been successful ranging from Intel to Micron) as well as lack of available sites (Hillsboro and Wilsonville have large sites inside the existing UGB zoned for industrial uses)." 1000 Friends Objection at 11. 1000 Friends notes that Metro's own forecast shows an industrial land surplus of more than 3,500 acres within the Metro region. 1000 Friends Objection at 9. Additionally, the objection points to trends leading to increasing vacancy of existing industrial space, which further reduces the need for more industrially designated land. 1000 Friends Objection at 9.

1000 Friends' proposed remedy to address this alleged deficiency is for the department to remand the ordinance back to Metro to allow Metro "to determine if there is an appropriate and justified designation of lands for industries uses for the large sites under OAR 660-009-0025 and consistent with Metro Code sections 3.07.1405 - 3.07.1465." 1000 Friends Objection at 11.

Department Response:

The Urban Growth Report documents the diminished supply of development-ready industrial sites in larger size classes available for expansion of the semiconductor manufacturing industry. Additionally, the Metro Council finds. Record at 1195.

Although it does not explicitly claim that the decision violates requirements in Oregon administrative rules chapter 660, division 9, 1000 Friends' objection implies that the two 50+ acre industrial sites provided by the Sherwood West UGB expansion should be designated for industrial development under OAR 660-009-0025, Designation of Lands for Industrial and Other Employment Uses. 1000 Friends objection at 11.

OAR 660-009-0025 does not apply to Metro; the local governments subject to this rule are cities and counties. The City of Sherwood must amend its comprehensive plan following the expansion of the UGB to include the Sherwood West Urban Reserve. At that time, the city must comply with OAR 660-009-0025, including rules related to short-term land supply. Metro's conditions of approval related to industrial sites are addressed in the department response to sub-objection 10.E.2.

Based on this analysis, the director finds that Metro is in compliance with relevant rules and code, including OAR 660-009-0025 by condition, and Metro Code sections 3.07.1405 to 3.07-1465 and rejects this objection.

Objection 1.C. Needed housing estimate and accommodation

1000 Friends objects to Metro's decision not meeting Goal 10's housing goals and requirements, OAR 660-015-0000(10), Metro's Regional Framework Code section 1.3 (Housing Choices and Opportunities)²⁶, and Metro's Urban Growth Management Functional Plan in section 3.07.1110²⁷ because Metro does not use the numbers provided by the Oregon Housing Needs Analysis (OHNA) and does not adequately consider the housing needs of current and future residents. 1000 Friends raises two key issues in Objection 1.C., described in this Order as sub-objections 1.C.1. and 1.C.2.

1000 Friends' proposed remedy is multi-fold. First, remand the decision for Metro to "incorporate the updated numbers finalized through the OHNA process for regional totals and for the City of Sherwood to update its Housing Needs Analysis and Housing Production Strategy" and second, to establish "directives for Metro Council to incorporate the updated numbers finalized through the OHNA process for regional totals for agricultural housing needs and for the City of Sherwood to update its Housing Needs Analysis and Housing Production Strategy with specific agricultural housing needs and strategies to meet these needs". 1000 Friends objection at 17 and 18.

The director addresses the sub-objections individually below.

Sub-objection 1.C.1 Basis of housing need estimate

1000 Friends objects to Metro not using numbers provided through the OHNA process to determine land needs for housing needs. 1000 Friends objection at 16.

Department Response:

²⁶ Metro Regional Framework Plan, Chapter 1

²⁷ Metro Urban Growth Management Functional Plan
<https://www.oregonmetro.gov/sites/default/files/2025/02/12/Metro-Code-complete-effective-20250212.pdf>

The director disagrees; 1000 Friends has not established that Metro must consider recent OHNA allocations in its regional housing needs estimate as part of this submittal. The OHNA final methodology and housing need allocations from the Department of Administrative Services were not published and made available until January 1, 2025 – after Metro adopted their Urban Growth Report on December 19, 2024. Nothing in statute or administrative rule requires Metro to update its analysis with the most recent OHNA numbers. Additionally, Metro used the draft OHNA methodology to inform its methodology for estimating housing needs, as described in Exhibit E. Record at 57. As described in ORS 195.036, Metro, in coordination with local governments, issues a population forecast within its boundary as a basis for changes to comprehensive plans and land use regulations.²⁸ Appendix 1A includes Metro’s population forecast. Record at 157-174. Metro’s population forecast is incorporated into the OHNA methodology as provided in ORS 184.453(3).²⁹

Based on the analysis above, the director rejects this objection from 1000 Friends.

Sub-objection 1.C.2 Reasonable accommodation of housing needs

1000 Friends objects to Metro’s failure to consider the housing needs of current and future residents, including affordable housing and housing for agricultural workers. 1000 Friends oat 17-18.

²⁸ ORS 195.036 provides,

“Metro, in coordination with local governments within its boundary, shall issue a population forecast for the entire area within its boundary to be applied by Metro and local governments within the boundary of Metro as a basis for changes to comprehensive plans and land use regulations. The forecasted population data must be segmented by race, ethnicity and disability status.”

²⁹ ORS 184.453(3) provides,

“In making an allocation under subsection (2) of this section, the department shall consider:

“(a) The forecasted population growth under ORS 195.033 or 195.036;

“(b) The forecasted regional job growth;

“(c) An equitable statewide distribution of housing for income levels described in subsection (4) of this section;

“(d) The estimates made under subsection (1) of this section;

“(e) For cities within Metro, the needed housing projected under ORS 197A.348 (2); and

“(f) The purpose of the Oregon Housing Needs Analysis under ORS 184.451 (1).”

Department Response:

The director disagrees with 1000 Friends. Metro conducted a Buildable Land Inventory (Appendix 2) and Housing Needs Analysis (Appendix 8) in accordance with ORS 197A.350(3).³⁰ Record at 175 and 1037. The Housing Needs Analysis includes an assessment of housing needs over the 20-year planning period. Metro describes methods for estimating current housing needs in more detail in Appendix 8A. Record at 1069-1078. Metro describes methods for estimating future housing needs in more detail in Appendix 8, including how it estimated the need for specific housing types such as government-assisted housing and agricultural housing, as required by ORS 197A.348.³¹ Record at 1037-1068.

Appendix 8 states, “To avoid implying false precision and scale the effort appropriately for its purpose, this regional analysis folds more specific housing needs into broader

³⁰ ORS 197A.350 provides, in part:

“(3) In performing the duties under subsection (2) of this section, Metro shall:

“(a) Inventory the supply of buildable lands within the urban growth boundary and determine the housing capacity of the buildable lands; and

“(b) Conduct an analysis of existing and projected housing need by type and density range, in accordance with all factors under ORS 197A.348 and statewide planning goals and rules relating to housing, to determine the number of units and amount of land needed for each needed housing type for the next 20 years.”

³¹ ORS 197A.348(1) provides, in part:

“As used in ORS 197A.350 and this section, ‘needed housing’ means all housing on land zoned for residential use or mixed residential and commercial use that is determined to meet the need shown for housing within an urban growth boundary at price ranges and rent levels that are affordable to households within the county with a variety of incomes, including but not limited to households with low incomes, very low incomes and extremely low incomes, as those terms are defined by the United States Department of Housing and Urban Development under 42 U.S.C. 1437a. ‘Needed housing’ includes the following housing types:

“(a) Attached and detached single-family housing, middle housing types as described in ORS 197A.420 and multiple family housing for both owner and renter occupancy;

“(b) Government assisted housing;

“(c) Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.493;

“(d) Manufactured homes on individual lots planned and zoned for single-family residential use that are in addition to lots within designated manufactured dwelling subdivisions;

“(e) Agriculture workforce housing; and

“(f) Single room occupancies as defined in ORS 197A.430.”

categories. Likewise, there are specific ‘needed’ housing types that require generalization because they are allowed more broadly in local zoning codes.” Record at 1051. Appendix 8 continues:

“Government assisted housing is understood to be any housing that meets the needs of households earning less than 80 percent area median income (AMI). This could take the form of any of the three housing structure types (single-unit detached, middle housing, and multi-unit attached housing). Consequently, this analysis describes housing demand for various income groups, including households earning less than 80 percent AMI, but is unable to meaningfully establish a regional housing capacity or capacity deficit for this income group since pricing is dependent on market conditions.” Record at 1052

Metro’s findings in Exhibit E indicate, “Agricultural workforce housing is allowed under ORS 197A.395 in any residential or commercial zone that allows housing; accordingly, Metro’s assessment of housing capacity and needs addresses farmworker housing in the same way that it addresses housing needs for all types of workers.” Record at 1190. Additionally, Appendix 8 includes an assessment of home prices and consideration of how multi-unit housing “best addresses the anticipated housing needs of smaller households with lower household incomes.” Record at 1055.

Metro Ordinance 24-1520 includes Conditions of Approval, including a condition that requires Sherwood to work to meet housing affordability targets as part of its upcoming Housing Production Strategy, record at 14, as well as a reporting requirement to ensure the affordability conditions are enforced, record at 16.

Based on the analysis above, the director finds that Metro considered the needs of current and future residents, including affordable housing and housing for agriculture workers. The director therefore rejects this objection from 1000 Friends.

Objection 1.D. Reduction of carbon pollution and relevance of Climate Smart Communities

1000 Friends objects to Metro’s decision not demonstrating that the UGB expansion will reduce carbon pollution as required by Metro’s Climate Smart Communities Strategy and OAR 664-004-0200.³² 1000 Friends objection at 20. The objector conducted a rough analysis of vehicle miles traveled (VMT) that new streets built in the UGB expansion area may induce and asserts that Metro and Sherwood should be required to plan for more connected, dense, and complete communities. 1000 Friends objection at 19-20.

1000 Friends recommends remand for Metro to, “analyze the carbon pollution increase resulting from the current UGB expansion and concept plans submitted by the City of

³² The department understands the objection’s rule citation to mean OAR 660-044-0020.

Sherwood. Metro and the City of Sherwood can choose to either pause the UGB expansion or develop an UGB expansion with conditions to reduce VMT consistent with Metro's Climate Smart Communities and OAR 664-004-0200." 1000 Friends objection at 20.

Department Response:

The director disagrees with 1000 Friends. OAR 660-044-0020 requires Metro to use a set of targets listed in the rule as it "develops, reviews, and updates a land use and transportation scenario that accommodates planned population and employment growth while achieving a reduction in greenhouse gas emissions from light vehicle travel in the metropolitan area[.]"

Metro used the targets in this rule to develop a land use and transportation scenario, as provided in the rule. This scenario is the Climate Smart Communities Strategy. Metro adopted the Climate Smart Communities Strategy as Metro Ordinance 14-1346B on December 18, 2014. This adoption included updates to Metro's Regional Framework Plan, as provided in OAR 660-044-0040.

Metro is required to continually review progress on achieving the objectives of the Climate Smart Communities Strategy. Metro has prepared a report on progress toward implementing the Climate Smart Communities Strategy twice since adoption in 2014. The commission has reviewed these reports as provided in OAR 660-044-0060.

The director also disagrees with 1000 Friends that Metro failed to consider transportation and VMT in its decision. Appendix 7 includes an analysis of VMT as part of the Goal 14 location factors. Record at 337. Metro reviewed the potential VMT from the Sherwood West urban reserve and considered these factors as part of its Goal 14 location analysis. Record at 728.

While Metro has met its obligations as provided in OAR 660-044-0020, the director concludes that because it is not an applicable review standard, it would not provide a basis for remand of the submittal. Based on the analysis above, the director rejects this objection from 1000 Friends.

B. Second Objection

Ron Bunch

Objector Ron Bunch ("Bunch") submitted twelve objections to the Metro UGB expansion decision.

Objection 2.A. Metro's and Sherwood's Public Process

Bunch objects that Metro engaged in a biased process which favored the interests of property owners and ignored or discounted the input from those who might oppose an

urban growth boundary amendment in Sherwood. He asserts that this violates Guideline in Statewide Planning Goal 1, which provides:

“PREPARATION OF PLANS AND IMPLEMENTATION MEASURES Preparation of plans and implementation measures should be based on a series of broad phases, proceeding from the very general identification of problems and issues to the specific provisions for dealing with these issues and for interrelating the various elements of the plan. During each phase opportunities should be provided for review and comment by citizens and affected governmental units.”

His remedy is to remand the entire decision to Metro with instructions to conduct a new and fair public process. Bunch Objection Attachment 1 at 1-2.

Department Response:

The director rejects this objection. Regarding Goal 1, Bunch does not allege a specific violation of the Metro or Sherwood Citizen Involvement Program, which is the only way in this instance to demonstrate a violation of Goal 1. *Casey Jones Well Drilling Inc. v. City of Lowell*, 34 Or LUBA 263 (1998). Statewide Planning Goal Guidelines are not standards that must be satisfied to approve a post-acknowledgment plan amendment, including a UGB amendment, and thus alleged inconsistency between Metro’s adopted UGB amendment and a guideline to Goal 1 is not a basis to reverse or remand the decision. *People for Responsible Prosperity v. City of Warrenton*, 52 Or LUBA 181 (2006).

Objection 2.B. Concept Plan

Bunch objects that the future development patterns in the expansion area, as envisioned in the Sherwood West concept plan, will not be compact, cost effective, urban development. Bunch Objection at 2-5.

Department Response:

The director finds this objection invalid. OAR 660-025-0140(2) provides that an objector must “[c]learly identify an alleged deficiency in the work task sufficiently to identify the relevant section of the final decision and the statute, goal, or administrative rule the task submittal is alleged to have violated.” Bunch’s objection, and the letters that he submitted to Metro as reference, provide only a generalized list of Metro-adopted provisions alleged to be violated. In reviewing objections, the director only need consider those that “make an explicit and particular specification of error by the local government.” *1000 Friends of Oregon v. LCDC*, 244 Or App at 268.

Nevertheless, the director understands this objection to be similar to 1000 Friends objection 1.D, and WoSFA objection 10.I, and 10.G , who raise a substantially similar issue regarding Metro’s consideration of state and regional policies on climate change

and compact and efficient development, and also rejects it for those reasons stated in review of those objections.

Objection 2.C. Housing Needs

Bunch asserts that the Sherwood concept plan will not meet the city's or region's housing needs, particularly regarding affordable and middle housing types. Bunch Objection at 6-7.

Department Response:

The director finds this objection invalid. OAR 660-025-0140(2) provides that an objector must "[c]learly identify an alleged deficiency in the work task sufficiently to identify the relevant section of the final decision and the statute, goal, or administrative rule the task submittal is alleged to have violated." Bunch's objection, and the letters that he submitted to Metro as reference do not reference any alleged provisions violated on this issue. In reviewing objections, the director only need consider those that "make an explicit and particular specification of error by the local government." *1000 Friends of Oregon v. LCDC*, 244 Or App at 268.

Nevertheless, the director understands this objection to be similar to 1000 Friends objection 1.C.1, and 1.C.2, Housing Land Advocates objection 4.A and WoSFA objection 10.C, who raise a substantially similar issue regarding Metro's consideration of housing need accommodation, and also rejects it for those reasons stated in review of those objections.

Objection 2.D. Housing Supply

Bunch asserts that Metro's justification of proposed single-family residential development does not meet the housing needs of Sherwood or the Metro area. Bunch objection at 7-10.

Department Response:

The director finds this objection invalid. OAR 660-025-0140(2) provides that an objector must "[c]learly identify an alleged deficiency in the work task sufficiently to identify the relevant section of the final decision and the statute, goal, or administrative rule the task submittal is alleged to have violated." Bunch's objection, and the letters that he submitted to Metro as reference, provide only a generalized list of Metro-adopted provisions alleged to be violated. In reviewing objections, the director only need consider those that "make an explicit and particular specification of error by the local government." *1000 Friends of Oregon v. LCDC*, 244 Or App at 268.

Nevertheless, the director understands this objection to be similar to 1000 Friends objection 1.C.1, and 1.C.2, Housing Land Advocates objection 4.A and WoSFA

objection 10.C, who raise a substantially similar issue regarding Metro's consideration of housing need accommodation, and also rejects it for those reasons stated in review of those objections.

Objection 2.E. Jobs Housing Balance

Bunch asserts that Metro's UGB will do nothing to address the region's jobs-housing imbalance and will increase rather than decrease driving in the region. Bunch Objection at 10-12.

Department Response:

The director finds this objection invalid. OAR 660-025-0140(2) provides that an objector must "[c]learly identify an alleged deficiency in the work task sufficiently to identify the relevant section of the final decision and the statute, goal, or administrative rule the task submittal is alleged to have violated." Bunch's objection, and the letters that he sent to Metro as reference, provide only a generalized list of Metro-adopted provisions alleged to be violated. In reviewing objections, the director only need consider those that "make an explicit and particular specification of error by the local government." *1000 Friends of Oregon v. LCDC*, 244 Or App at 268.

Nevertheless, the director understands this objection to be similar to 1000 Friends objection 1.D, and WoSFA objection 10.I, and 10.G, who raise a substantially similar issue regarding Metro's consideration of state and regional policies on climate change and compact and efficient development, and also rejects it for those reasons stated in review of those objections.

Objection 2.F. Employment and Housing Land Need

Bunch asserts that statements of need for employment and housing land provided by stakeholders in the public process are not supported by any facts. Bunch objection at 12-13.

Department Response:

The director finds this objection invalid. OAR 660-025-0140(2) provides that an objector must "[c]learly identify an alleged deficiency in the work task sufficiently to identify the relevant section of the final decision and the statute, goal, or administrative rule the task submittal is alleged to have violated." Bunch's objection, and the letters that he submitted to Metro as reference, provide only a generalized list of Metro-adopted provisions alleged to be violated. In reviewing objections, the director only need consider those that "make an explicit and particular specification of error by the local government." *1000 Friends of Oregon v. LCDC*, 244 Or App at 268.

Nevertheless, the director understands this objection to be similar to 1000 Friends objection 1.B.1 and 1.B.2, Bunch objection 2J, and WoSFA objection 10.E.1, who raise a substantially similar issue regarding Metro's factual basis for establishing employment land need, and also rejects it for those reasons stated in review of those objections.

Objection 2.G. Past Failed UGB Expansion Efforts

Bunch notes that a proposal and process to expand the Metro UGB in the Sherwood area was abandoned. There are no changes in circumstances that would require a revival of that project. Bunch objection at 13-14.

Department Response:

The director finds this objection invalid. OAR 660-025-0140(2) provides that an objector must "[c]learly identify an alleged deficiency in the work task sufficiently to identify the relevant section of the final decision and the statute, goal, or administrative rule the task submittal is alleged to have violated." Bunch's objection, and the letters that he sent to Metro as reference do not reference any alleged provisions violated on this issue. In reviewing objections, the director only need consider those that "make an explicit and particular specification of error by the local government." *1000 Friends of Oregon v. LCDC*, 244 Or App at 268.

Objection 2.H. Growth projections

Bunch asserts that "Sherwood like the rest of Washington County will experience declining annual growth rates to within the vicinity of 1 percent in the near term and then declining lower in the coming decades." Bunch notes that population projections from Portland State University (presumably the Population Research Center) find that the Washington County has been growing approximately 1.05% per year for the past ten years and asserts that "lower growth rates and changing household characteristics do not justify this UGB expansion...". Bunch objection at 14-15. Bunch recommends that the decision be remanded for Metro to "reconsider its projections for growth rates and to consider as an alternative to the Sherwood West UGB expansion to adaptive reuse and infill of residential and other lands inside current urban growth boundaries to create livable, compact, accessible, and multigenerational neighborhoods." Bunch objection at 15.

Department Response:

The director disagrees with Bunch. OAR 660-032-0030 designates Metro as the appropriate agency to issue a coordinated population forecast for the entire area within its boundary. Although section (4) of the rule requires Metro to "coordinate with the Population Research Center in the development and allocation of its forecast," Metro is responsible with issuing population forecasts for the region and for local governments

within its boundary. Therefore, the Metro Council is within their proper purview to determine growth projections for the region.

It is also important to note that Metro's decision is not intended to meet only a local or county-wide land need. Metro's analysis of expected demographic trends is extensive, and projects declining birthrates and uncertain trends for net migration into the region. Record at 166. Metro's analysis provided three scenarios for future population growth in the region: a low estimate, a baseline estimate, and a high estimate. The analysis cites uncertainty in future net migration as a significant determinant of future growth but asserts that the baseline forecast is the most likely. Record at 41. The Metro Council considered these alternatives and decided to adopt the baseline estimate as the most accurate prediction of future growth in the region. Record at 1190.

The evidence and findings in the record demonstrate that the population forecast and UGB expansion decision were completed in compliance with Metro and state planning requirements.

Based on the analysis above, the director rejects this objection from Bunch.

Objection 2.I. Alternative Modes of Transit

Bunch asserts that the urban growth boundary expansion will not make efficient use of public investment in needed transportation infrastructure and other needed services.

Department Response:

The director finds this objection invalid. OAR 660-025-0140(2) provides that an objector must "[c]learly identify an alleged deficiency in the work task sufficiently to identify the relevant section of the final decision and the statute, goal, or administrative rule the task submittal is alleged to have violated." Bunch's objection, and the letters that he sent to Metro as reference do not reference any alleged provisions violated on this issue. In reviewing objections, the director only need consider those that "make an explicit and particular specification of error by the local government." *1000 Friends of Oregon v. LCDC*, 244 Or App at 268.

Nevertheless, the director understands this objection to be similar to 1000 Friends objection 1.D, and WoSFA objection 10.I, and 10.G, who raise a substantially similar issue regarding Metro's consideration of state and regional policies on climate change and compact and efficient development, and also rejects it for those reasons stated in review of those objections.

Objection 2.J. Employment land need

Bunch objects to the employment land need expressed by both Sherwood in its 2021 and 2023 EOAs and Metro in its Urban Growth Report. The objector states that "Metro's

current land inventories indicate that there is enough industrial land inside the UGB to accommodate regional needs.” Bunch asserts that the sites identified for high tech industrial development in the UGB expansion area are better suited for different types of employment uses, and that current capacity inside the UGB would accommodate mixed employment. The objector argues that the “UGB expansion is inconsistent with the Metro Regional Framework Plan Principles 1.4.2.” Bunch objection at 17.

Bunch’s remedy is to remand the decision for Metro to, “address its Code requirements to purposefully and factually opportunities for those who need affordable housing types and employment.” Bunch objection at 15.

Department Response:

The director disagrees with Bunch. Metro’s Regional Framework Plan provides regional policies to implement growth plans. Policy 1.4.2 states that it is the policy of Metro to:

“Balance the number and wage level of jobs within each subregion with housing cost and availability within that subregion. Strategies are to be coordinated with the planning and implementation activities of this element with Policy 1.3, Housing Choices and Opportunities and Policy 1.8, Developed Urban Land.”

In this objection, Bunch focuses on the question of overall regional employment land need by quantity and type. Policy 1.4.2 does not apply to the analysis that Metro used to determine regional employment land need in its Urban Growth Report. Rather, this policy addresses the characteristics and distribution of jobs within Metro’s boundary by subregion. Bunch has not demonstrated that Metro failed to comply with Metro Regional Framework Plan Policy 1.4.2.

Based on the analysis above, the director rejects this objection from Bunch.

Objection 2.K. Protection of natural resources

Bunch objects to Metro’s failure to demonstrate that the natural resources in the UGB expansion area will be protected in a manner consistent with Metro Urban Growth Management Functional Plan Titles 3 and 13. Bunch’s remedy is to remand the decision for Metro to “either explain how surrounding Chicken Creek and its riparian area and other natural resources areas supposedly protected by Title 13 will be protected and enhanced by roads crossing them, the runoff from surrounding paved area, and the impact of pets and invasive plants, or to find other ways or places to meet regional housing and employment needs that are not so destructive”. Bunch objection at 20.

Department Response:

The director disagrees with Bunch. Metro analyzed environmental issues related to the Sherwood West urban reserve area. Record at 1026. In its Goal 14 Factor Analysis, Metro describes two of its regulatory programs in place to, “ensure that urbanization will occur in a regionally consistent manner through required protection standards.”

“UGMFP [Urban Growth Management Functional Plan] Title 3, for example, provides performance standards to protect and improve water quality and to reduce the risk and impacts of flooding. Land added to the UGB is subject to the requirements of Title 3 through the concept planning and comprehensive planning requirements of UGMFP Title 11. UGMFP Title 13 provides performance standards to protect, maintain, enhance, and restore significant fish and wildlife habitat through a comprehensive approach that includes voluntary, incentive-based, educational, and regulatory elements. Land brought into the UGB is also subject to the requirements of Title 13 through the concept planning and comprehensive planning requirements of Title 11.”

Record at 339-340

Metro discussed environmental consequences under Goal 14, Boundary Location Factor 3 in the record at 733-735, noting the presence of regionally significant riparian and upland wildlife habitat, primarily associated with Chicken Creek and West Fork Chicken Creek, and their susceptibility to impacts from urbanization. Metro acknowledges that these environmental resources will limit and shape future urban development of this area and will involve avoiding direct impacts to these regionally significant areas pursuant to Metro’s Title 13 standards. Record at 1026-1027. It will be the responsibility of Sherwood to implement these provisions as the city adopts comprehensive plan policies to urbanize this area.

Based on the analysis above, the director rejects this objection from Bunch.

Objection 2.L. Agricultural use compatibility

Bunch argues that “agricultural operations cannot exist with the scale of urbanization proposed by the concept plan” and that “farming practices cannot co-exist with urban development.” The objection does not provide further details regarding why or how the scale of urbanization proposed by the concept plan will conflict with agricultural operations in the area, other than arguing that existing agricultural operations within the expansion area will cease due to urbanization and development within the expansion area. Bunch asserts that allowing such conflicts is inconsistent with Metro Title 11 and Goal 14 locational factors and asks that LCDRC reject Metro’s compatibility findings and direct Metro to, “reconsider either its conclusion, gather new evidence and/or find a different location for a UGB expansion or take measures that will avoid the need for an expansion at all.” Bunch objection at 21.

Department Response:

The purpose of Goal 14 is to “provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.” OAR 660-015-0000(14). It is expected that agricultural uses on rural lands selected for inclusion within an UGB will be replaced over time with urban uses, as lands are annexed into city boundaries and provided with urban services.

Metro must consider Goal 14’s boundary location factors to determine the most appropriate lands for inclusion within a UGB by balancing four factors, including “compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.”³³ The presumption that lands within a UGB expansion area will be urbanized is reflected in the criterion’s focus on the compatibility of “nearby agriculture and forest activities,” in other words farming practices on lands that remain outside the UGB but are near to the newly urbanized areas, not the compatibility of urbanization with existing farming uses within a potential expansion area. Additionally, OAR 660-024-0060(3) requires that Metro must “show that all the factors were considered and balanced.”

Metro has provided a thorough analysis of the Goal 14 boundary location factors as applied to the 27 urban reserve areas, including Sherwood West, that Metro identified for potential inclusion in the Metro UGB in Appendix 7 to the Urban Growth Report. Record at 326-924. Metro’s analysis of the Goal 14 boundary location factors includes an introduction and explanation of the methodology used (record at 329); a map of the 27 urban reserve areas (record at 328); analysis of the boundary location factors for all 27 areas (record at 348-793); a summary of the results of the analysis (record at 794-795); and a utility analysis report evaluating the provision of urban services to the 27 areas. Record at 796-924. Appendix E includes specific findings for the compatibility of the Sherwood West site with nearby agricultural and forest activities. Record at 735-737. That analysis assigns Sherwood West a “medium” score on this boundary location factor.

³³ Statewide Planning Goal 14 provides, in part:

“The location of the urban growth boundary and changes to the boundary shall be determined by evaluating alternative boundary locations consistent with ORS 197A.320 or, for the Metropolitan Service District, ORS 197.298, and with consideration of the following factors:

“(1) Efficient accommodation of identified land needs;

“(2) Orderly and economic provision of public facilities and services;

“(3) Comparative environmental, energy, economic and social consequences; and

“(4) Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.”

Bunch asserts that the UGB decision is inconsistent with Title 11 of Metro's Urban Growth Management Functional Plan but does not specifically identify what particular provisions in Title 11 are violated. Sherwood prepared a concept plan for the development of Sherwood West, consistent with the requirements of Urban Growth Management Functional Plan section 3.07.1110. Additionally, Metro's decision requires Sherwood to complete comprehensive planning for the UGB expansion area that is consistent with the requirements of Metro Code section 3.07.1120, which will ensure the city addresses all applicable requirements prior to development within the Sherwood West expansion area. Based on this information, the director finds no inconsistency with the requirements of Title 11 of the Urban Growth Management Functional Plan.

The director rejects this objection and finds that the UGB decision is consistent with the Goal 14 boundary location factors, as well as with Metro's additional code factors, based on the evidence and analysis in the record.

C. Third Objection

Brian Fields

Objector Brian Fields ("Fields") objects to several aspects of the submittal, asserting multiple violations of the Statewide Planning Goals. Specifically, Fields alleges the decision "undermines" Goal 1, Community (Citizen) Involvement, relating to the process Sherwood used to develop its Sherwood West concept plan; "violates" Goals 5 and 6 (Natural Resources and Air and Water Quality), relating to the industrial area shown in the city's concept plan (because the area is adjacent to the Tualatin River National Wildlife Refuge, overlaps with protected upland habitat and is near a protected waterway, Chicken Creek; and "violates" Goal 12 (Transportation), relating to the transportation facilities shown in the city's concept plan, specifically Elwert Road. Fields Objection at 1-2.

Fields' remedy is: removing the Sherwood West north subdistrict from the expansion proposal and accurately representing an expanded Elwert Road and removing any reference to a conceptual connector. Fields objection at 2.

Department Response:

The director disagrees with Fields on all of his points and rejects his objection. Regarding Goal 1, Fields does not allege a specific violation of the Metro or Sherwood Citizen Involvement Program, which is the only way in this instance to demonstrate a violation of Goal 1. *Casey Jones Well Drilling Inc. v. City of Lowell*, 34 Or LUBA 263 (1998). Regarding Goals 5 and 6, Fields does not present any evidence to establish his assertion – mere proximity to a resource does not demonstrate a Goal 5 or 6 violation. Regarding Goal 12, Sherwood's concept plan presents a proposed realigned corridor for Elwert Road, which Fields disagrees with. Record at 6273-6278. Fields does provide

any specificity, other than policy disagreement, as to why the city's decision violates Goal 12.

D. Fourth Objection

Housing Land Advocates

Objector Housing Land Advocates identifies several deficiencies in Metro's decision, asserting that the decision fails to demonstrate the efficient use of land and active promotion of housing choice and provision of affordable housing. Housing Land Advocates also asserts that Metro's decision does not demonstrate compliance with requirements to Affirmatively Further Fair Housing and that Metro's decision fails to demonstrate adequate consideration of Metro Urban Growth Management Functional Plan section 3.07.145(d) when weighing the Metro factors.

Housing Land Advocates proposes a single remedy for all three objections: to remand the decision for Metro to, "wait for and consider alternate concept plan submissions. In this remand, Metro should be directed to consider increased densities in the existing UGB, upzoning within the existing UGB, and mandatory affordability requirements both inside the existing boundary and in the proposed expansion area in Sherwood West". Housing Land Advocates objection at 12.

The director addresses the objections individually below.

Objection 4.A. Accommodation of needed housing

Housing Land Advocates objects to Metro's decision being inconsistent with Goal 10, the Metropolitan Housing Rule, and Metro Urban Growth Management Functional Plan Title 7 by failing to promote housing choice. The objector asserts this is because Metro is allowing Sherwood to, "concentrate denser, the likely more affordable housing types- middle housing, including cottage clusters-outside the city center in the UGB expansion area, while neglecting to commensurately stimulate the production of those types within the existing UGB." Housing Land Advocates objection at 4. Housing Land Advocates argues that reliance on the Housing Production Strategy, which is not appealable by the public, is an improper deferral to meet the requirements of Goal 10. Housing Land Advocates objection at 4-5.

Housing Land Advocates further argues that Metro Ordinance 24-1520 is inconsistent with Goal 10 and the Metropolitan Housing Rule, specifically OAR 660-007-0000, because it fails to include affordability requirements and fails to promote housing choice. Housing Land Advocates argues that Metro Council's Condition of Approval related to housing affordability is inadequate because it is neither measurable nor enforceable. Housing Land Advocates objection at 5-6.

Department Response:

The director disagrees with Housing Land Advocates that Metro fails to demonstrate the efficient use of land and active promotion of housing choice and provision of affordable housing. Consistent with Goal 10, Metro completed a Buildable Land Inventory (Appendix 2, record at 175) and Housing Needs Analysis (Appendix 8, record at 1037). The Buildable Land Inventory includes estimates for redevelopment within the UGB, including accessory dwelling units and middle housing conversion.³⁴ This includes 782 middle housing units in Sherwood under the Baseline Scenario. Record at 179. In comparing regional housing capacity with need, Metro findings indicate a deficit of 3,100 units, even accounting for redevelopment. Record at 64 and 1191. The Sherwood West concept plan indicates it can provide 3,120 units, including a mix of single unit detached, middle housing, and multi-unit, to satisfy the identified housing need.

Metro's Urban Growth Report states, "The interaction between housing supply and demand influences affordability. While new market rate housing is rarely 'affordable,' housing production contributes to the overall regional supply and can have a long-term impact on housing costs." Record at 45. Metro admits that filtering alone will not meet the needs of low-income households and that the UGB is just one policy tool, but local governments and other parties need to make many more interventions and partnerships. Record at 46.

As stated by Housing Land Advocates, Metro Ordinance 24-1520 includes Exhibit B, Conditions of Approval, including a condition that Sherwood work to meet housing affordability targets as part of its upcoming Housing Production Strategy. Record at 14. The Conditions of Approval also include a reporting requirement that states:

"For at least six years after this UGB expansion, the City shall provide Metro with a written annual report on compliance with these conditions as well as planning and development status in the expansion area. These reports will be due to the Metro Chief Operating Officer by December 31 of each year, beginning December 31, 2025." Record at 16.

The city's Housing Production Strategy includes requirements to ensure consistency with Goal 10 to take action to meet identified housing needs (OAR 660-008-0200).

The director rejects the aspect of the objection that concludes that Metro must demonstrate compliance with Urban Growth Management Functional Plan Title 7:

³⁴ ORS 197A.425 defines "accessory dwelling unit" as "an interior, attached or detached residential structure that is used in connection with or that is accessory to a single-family dwelling."

OAR 660-046-0020(12) defines "middle housing" as "Duplexes, Triplexes, Quadplexes, Cottage Clusters, and Townhouses."

Housing Choice, specifically, Metro Code section 3.07.730.³⁵ Housing Land Advocates does not establish that compliance with Urban Growth Management Functional Plan Title 7 is a necessary element in justifying a UGB expansion under Goals 10 and 14. As explained in the Urban Growth Management Functional Plan, Title 7, Housing Choice is a voluntary program which sets affordable housing targets for local governments within Metro. Compliance with this voluntary program is not an applicable law subject to the commission's review under ORS 197.633(3)(c). The submittal does not include changes to any city's comprehensive plan; therefore, Metro Code section 3.07.730 is not applicable.

The director determines that Metro has met its obligations to encourage and provide the opportunity for adequate amounts of needed housing at a range of price and rent levels and allow for flexibility of housing location, type, and density consistent with Goal 10.

This objection does not undermine that determination, the director rejects this objection from Housing Land Advocates.

Objection 4.B. Applicability of Federal Fair Housing Act

³⁵ Title 7: Housing Choice provides, in part:

"3.07.710 Intent.

"The Regional Framework Plan calls for establishment of voluntary affordable housing production goals to be adopted by local governments and assistance from local governments on reports on progress towards increasing the supply of affordable housing. It is the intent of Title 7 to implement these policies of the Regional Framework Plan.

"3.07.720 Voluntary Affordable Housing Production Goals

"Each city and county within the Metro region should adopt the Affordable Housing Production Goal indicated in Table 3.07-7, as amended over time, as a guide to measure progress toward increasing housing choices and meeting the affordable housing needs of households with incomes between 0 percent and 50 percent of the regional median family income.

"3.07.730 Requirements for Comprehensive Plan and Implementing Ordinance Changes
"Cities and counties within the Metro region shall ensure that their comprehensive plans and implementing ordinances:

"(a) Include strategies to ensure a diverse range of housing types within their jurisdictional boundaries.

"(b) Include in their plans actions and implementation measures designed to maintain the existing supply of affordable housing as well as increase the opportunities for new dispersed affordable housing within their boundaries.

"(c) Include plan policies, actions, and implementation measures aimed at increasing opportunities for households of all income levels to live within their individual jurisdictions in affordable housing."

Housing Land Advocates objects to Metro's decision violating Metro's obligation, as a recipient of federal funds, to Affirmatively Further Fair Housing because Metro is responsible for ensuring Sherwood's actions do not impede fair housing choice and expansion would further entrench Sherwood existing segregation pattern. Housing Land Advocates objection at 6.

Department Response:

The director disagrees with Housing Land Advocates that Metro has obligations to affirmatively further fair housing (AFFH) with regard to this UGB decision.³⁶ Housing Land Advocates does not identify any basis on which Metro would have the type of authority that could result in a violation of AFFH by Metro; nor does Housing Land Advocates identify any basis for its assertion that Metro has the authority to enforce AFFH requirements against local governments in the region.

The standard of review for this submittal provides: “[f]or issues concerning compliance with applicable laws, is whether the local government’s decision on the whole complies with applicable statutes, statewide land use planning goals, administrative rules, the comprehensive plan, the regional framework plan, the functional plan and land use regulations.” ORS 197.633(3)(c).

The only item in this list that could plausibly include AFFH is the term “applicable statutes.” Neither the Commission nor any court has construed the term “applicable statutes” in ORS 197.633(3)(c) to include anything other than state statutes. There is also no precedential case law that would include compliance with AFFH as being a standard for a decision by the director on a UGB amendment submittal reviewed in the manner of periodic review that is required by state law. Housing Land Advocates has not established why or how AFFH is a law applicable to the director’s review of the UGB submittal.

Based on the analysis above, the director rejects this objection from Housing Land Advocates.

Objection 4.C. Metro locational factors

Housing Land Advocates objects to Metro Council’s inadequate consideration of the factors for determining which urban reserve areas better meet housing need under Title 14, Metro Code section 3.07.1425(d).³⁷ Housing Land Advocates argues that Factors 4

³⁶ “[Executive Order 12892](#), issued on January 17, 1994, requires federal agencies to affirmatively further fair housing in their programs and activities and provides that the Secretary of HUD will be responsible for coordinating the effort.”

³⁷ Metro Code section 3.07.1425 providstates, in part:

and 5 weigh in favor of selecting another urban reserve area that better meets housing need. Housing Land Advocates argues that Sherwood has not instituted best practices for preserving and increasing the supply and diversity of affordable housing within its existing urban area (Factor 4) and that Sherwood has failed to take the necessary actions to advance Metro Outcomes 2 and 6, which contemplate that the City must plan for the equitable distribution of the benefits of economic prosperity and growth. (Factor 5). Housing Land Advocates objection at 8.

Department Response:

The director disagrees with Housing Land Advocates. The objection does not contend that Metro did not consider the factors, but seems to contend that each of the factors to be weighed in determining which of the urban reserve areas will best meet the identified needs is an independent decision criterion. Metro Code section 3.07.1425(c) and (d) identifies these factors as considerations, not absolute standards that must each be met independently. In this context, it is important to note that concept planning is needed for urban reserve areas that are to be considered for addition to the UGB, per Metro Code section 3.07.1110(a). As stated in the Findings of Fact, “[i]n its considering and weighing of the locational factors under Goal 14 and the Metro Code, the Metro Council is giving greater weight to Sherwood West under the first two factors, because Sherwood West is the only urban reserve area that has been concept planned”. Record at 1198. The residential land needs identified by Metro support inclusion of this area within the UGB.

In addition, the record contains sufficient findings to demonstrate consideration of the identified factors. The Metro Council’s decision on this matter is summarized within the adopted Findings of Fact under “Additional Factors for UGB Expansion Proposals.” Record at 1200-1208. Findings for Factor 4 describe how the Metro Council considered the city’s actions to increase the supply and diversity of affordable housing. Record at 1202. The findings for Factor 5 describe how the Metro Council considered actions taken by the city regarding the six desired outcomes. Record at 1202-1207. The findings also state, “The Council also notes that in adopting these factors, the expressly stated intent was not to create criteria that must be satisfied, but factors to be considered and weighed, in the manner of the Goal 14 locational factors.” Record at

“(d) If the Council determines there is a need to amend the UGB for housing, in addition to consideration of the factors listed in subsection (c) of this section, the Council shall also consider the following factors in determining which urban reserve areas better meet the housing need:

“(4) Whether the city responsible for preparing the concept plan has implemented best practices for preserving and increasing the supply and diversity of affordable housing in its existing urban areas; and

“(5) Whether the city responsible for preparing the concept plan has taken actions to advance Metro’s six desired outcomes set forth in Chapter One of the Regional Framework Plan.”

1200. The director finds that Metro's analysis considered all 27 urban reserve areas for inclusion within the UGB and made a reasonable decision based on applicable criteria.

Based on the analysis above, the director rejects this objection from Housing Land Advocates.

E. Fifth Objection

Dan Hoyt

Objector Dan Hoyt ("Hoyt") asserts that Metro's decision does not advance, "the health, safety, and welfare of the citizens". Hoyt objection at 1. While much of Hoyt's objection does not reference provisions of state law and consists of generalized assertions, Hoyt does make an argument that, per the requirements of Goal 14, the Portland Metro area's growth can be reasonably accommodated within the existing UGB, Hoyt's remedy is to not expand the UGB. Hoyt objection at 4.

Department Response:

The director does not agree with this objection. The director analyzes Metro's decision-making process on pages 9-25 of this report, a process that comes to conclusions regarding Hoyt's issue that are different from his. Based upon this analysis, the director determined that Metro's findings regarding whether or not needed housing and employment can be reasonably accommodated are valid and sufficient. Therefore, the director rejects Hoyt's objection.

F. Sixth Objection

David Marks

Objector David Marks ("Marks") asserts that Metro's decision fails to comply with requirements in Title 14 of Metro code, and with Goal 14, in three ways. First, the decision did not consider any urban reserve areas for inclusion in the UGB unless a local jurisdiction provided a concept plan for that area. Second, the decision only considered Goal 14 boundary location factors after it had determined that it would limit its consideration to the Sherwood West area because that was the only urban reserve area for which Metro received a concept plan. Third, the housing and employment needs analysis used to justify the decision are not supported by substantial evidence. Marks objection at 3.

The objector's remedies are for DLCD to reject Metro's approach and remand the decision, requiring Metro to essentially start over, following a process that properly considers the Goal 14 factors for all urban reserves, regardless of whether they have a concept plan. Marks objection at 13-14.

This report addresses the objections individually below.

Objection 6.A. Concept Plan Requirement

Marks objects to Metro erring by refusing to consider any urban reserve areas for inclusion in the 2024 UGB amendment unless a local jurisdiction provided a concept plan for that area. In other words, Metro erred by only considering the Sherwood West urban reserve area for UGB expansion, and not any other urban reserve areas. Marks argues that this is a violation of both Metro's own code and of Goal 14. Marks objection at 3-7.

Metro Code section 3.07.1425 provides that a concept plan can be one of the factors to consider as part of Metro's UGB amendment process. Marks argues that Metro made this the sole factor in its decision, rather than one of several factors. Marks objection at 6. Marks argues that Metro Code section 3.07.1425 does not allow Metro to limit its consideration of urban reserves areas to only those that have been concept planned. Marks objection at 6.

Department Response:

The director disagrees with Marks that Metro uses the concept plan as a sole factor in its decision to expand the UGB, and that Metro does not evaluate all urban reserves in its decision. Metro Code section 3.07.1110, which is entitled 'Planning for Areas Designated Urban Reserve,' begins by establishing the general requirement for concept plans, and then specifies which entities are responsible for developing the concept plan, the timing or sequence requirement that the concept plan be complete before the Metro Council adds the urban reserve area to the UGB, and the process for, and entities involved in, determining the concept plan completion date. Metro Code section 3.07.1110(a). The next two paragraphs, Metro Code section 3.07.1110(b) and (c), contain a list of outcomes that the local governments must consider actions to achieve, and a list of plan components depending on the planned uses, needs that the area will accommodate, and the size of the expansion area. Finally, Metro Code section 3.07.1110(e) contains an exception to the requirement in Metro Code section 3.07.1110(a) that a concept plan must be complete prior to adding the urban reserve to the UGB. The exception is that if the entities involved in developing the concept plan do not reach agreement on the concept plan before the agreed upon completion date, Metro Council may nonetheless add the area to the UGB.

Marks cites several instances in the record where Metro explains that it only expands the UGB into areas that have been concept planned, and that it requires an area to have a concept plan before it is added to the UGB. Marks objection at 8-9. While these statements are in the record, the director finds that they refer to a "policy" rather than a strict code requirement and that they contradict the actual Metro code in Title 14, which does not *require* a concept plan. In fact, Metro also included in the record an extensive analysis of all the urban reserve areas, in addition to the Sherwood West Urban

Reserve area. The record contains an analysis of the Goal 14 factors for all 27 existing urban reserves and contains an analysis of the factors in Metro code pertaining to UGB amendments. Metro's findings acknowledge the requirement to evaluate *all* urban reserve areas as part of the UGB decision. Record at 1196.

It is also worth reiterating that the Urban Growth Management Functional Plan contains a provision in 3.07.1110 (e) that allows Metro to add an area to the UGB even if it does not have an approved concept plan:

"If the local governments responsible for completion of a concept plan under this section are unable to reach agreement on a concept plan by the date set under subsection (s), then the Metro Council may nonetheless add the area to the UGB if necessary to fulfill its responsibility under ORS 197.299 to ensure the UGB has sufficiency capacity to accommodate forecasted growth."

While Metro has indicated a strong policy and preference to only add to the UGB areas that have an adopted concept plan, their governing documents allow for UGB expansions in the absence of such concept plans.

Metro's application of the urban reserve factors to all 27 urban reserve areas in the Metro region is set forth in Appendix 7 to the Urban Growth Report. As described in that analysis, Metro undertook a two-step process by first applying the Goal 14 factors and other locational requirements in OAR 660-024-0060 to all urban reserve areas. Record at 326-925. Next, based on the outcome of the initial analysis, Metro applied the separate Metro Code location factors to a smaller set of 20 urban reserve areas that were determined to be potentially suitable under the Goal 14 factors. That analysis is in Appendix 7A. Record at 925-1036.

The Metro Council also adopted findings in support of its decision describing the results of the Goal 14 analysis and explaining why, after applying the Goal 14 factors and related Metro Code factors to all 27 urban reserve areas, Metro concluded that Sherwood West provided the best location for the UGB expansion. Record 1195-1200. Regarding how the existence of a concept plan for the Sherwood West Urban Reserve Area influenced Metro's decision, Metro explains that it gives more weight to the first two of the four factors in the analysis:

"the Metro Council is exercising its discretion to place greater weight on the two factors that are impacted by the existence of adjacent cities with locally adopted concept plans for the relevant urban reserve area. Those two factors are: (1) efficient accommodation of identified land needs, and (2) orderly and economic provision of public facilities and services." Record at 1197.

Elsewhere in the record, Metro explains further how the existence of a concept plan supports the efficient accommodation of land need and provision for public facilities:

“However, the primary consideration in evaluating whether an urban reserve could efficiently accommodate an identified land need is whether it has an adopted concept plan under Title 11 of Metro’s Urban Growth Management Functional Plan. The purpose of concept planning is to ensure that there is a detailed local plan for future urban development, including estimated costs of infrastructure and potential methods for financing, prior to an area being added to the UGB.

“Also, having a concept plan that has been formally adopted by local officials following public engagement indicates a local willingness to urbanize and significantly increases the likelihood that the reserve will develop and efficiently accommodate identified land needs within a reasonable timeframe.” Record at 334 – 335.

Metro also points out that, in its 2018 UGB amendment decision, LCDC found Metro to be in compliance with Goal 14 when applying the same approach: “decisive weight” to the existence of a concept plan. The methodology that was used by Metro in 2018 and formally approved by LCDC in 2020 is the same methodology used in this decision. Record at 1197 and 1198. In January 2020, the commission approved a 2,100-acre Metro UGB expansion, which utilized Metro’s methodology. Metro completed a technically sufficient analysis under Goal 14 of all its urban reserve areas, including the Stafford Area, but gave decisive weight to the adoption of the concept plans as demonstrating that lands within these concept plan areas were best suited for UGB expansion. The commission found that the methodology, as applied by Metro, was consistent with Goal 14, relevant state statutes, and Metro’s own code and Regional Framework Plan. The Court of Appeals upheld the commission’s decision.

The director finds that OAR 660-024-0060, which includes implementing rules for Goal 14 in Metro, requires Metro to “consider” and “balance” the Goal 14 boundary location factors. Metro’s Goal 14 analysis demonstrates that Metro “considered” the factors in its decision. Goal 14 and the implementing administrative rules do not describe nor limit how Metro is supposed to consider or balance those factors. The Oregon Court of Appeals has previously described how Goal 14 allows the factors to be “considered and balanced” at the discretion of Metro:

“The locational factors are not independent approval criteria. It is not necessary that a designated level of satisfaction of the objectives of each factor must always be met before a local government can justify a change in a UGB. Rather, the local government must show that the factors were ‘considered’ and balanced by the local government in determining if a change in the UGB for a particular area is justified. It is within a local government’s authority to evaluate the Goal 14 location factors and exercise its judgment as to which areas should be made available for growth.” *1000 Friends of Oregon v. Metro (Ryland Homes)*, 174 Or App at 409-410.

The director finds that the rules give Metro the discretion to weigh some factors over others in their Goal 14 analysis, and that Metro has used that discretion lawfully.

Based on the analysis above, the director rejects this objection from Marks.

Objection 6.B. Timing of Goal 14 Analysis Consideration

Marks objects to Metro adding the Goal 14 analysis for the urban reserves only at the end of the process, and therefore Metro Council's decision to add the Sherwood West area to the UGB was not informed by this analysis. Marks' contention that Metro staff made the Goal 14 analysis available *after* the October 8th Metro Council work session at which Metro Council endorsed the COO recommendation regarding adding Sherwood West to the UGB is correct. Marks objection at 7.

Department Response:

The director disagrees with Marks that Metro Council's decision did not include consideration of Metro's Goal 14 analysis. The evaluation of suitability of all 27 urban reserve areas for inclusion within the UGB based on Goal 14 boundary location factors was available for public review on October 18, 2024. This was approximately one month before the November 21, 2024 public hearing to consider the UGB expansion, and roughly a month and a half prior to deliberations and the decision to approve the UGB expansion on December 5, 2024. Marks mistakes the direction given by Council at its October 8th work session for the final decision. The Council's endorsement of the COO recommendation was preliminary, giving direction to Metro staff to move forward with the recommendation for the subsequent public hearing. The staff report for the October 8th work session notes that there is no decision requested from the council, rather, a request to provide direction to staff. Record at 3064 – 3065.

This preliminary direction did not restrict any Metro Councilor from reaching alternative conclusions based on the information provided in the record and following consideration at the subsequent public hearing. The Metro Council held a public hearing to consider the UGB decision on November 21, 2024, following posting of Appendices 7 and 7A to the Metro website on October 18, 2024. Consequently, Metro's analysis of the applicable locational factors for all 27 urban reserve areas was included in the record considered by the Metro Council during the November 21, 2024 public hearing, which also informed the decision to expand the UGB reached by the Metro Council on December 5, 2024. Record at 2, 6, and 7.

Marks does not establish that the process followed by Metro prejudiced the substantial rights of any participant. ORS 197.633(3)(b). The director finds that the Goal 14 analysis for the urban reserves was before Metro to inform the decision to adopt Metro Ordinance 24-1520.

Regarding Metro's Goal 14 analysis, Marks asserts that many other urban reserve areas scored the same, or better, than Sherwood West. Marks argues that Metro does not explain why it concluded that Sherwood West is the best candidate when other urban reserve areas received similar scores. Marks objection at 9. Metro's balancing and weighing of the Goal 14 factors is discussed under Objection 6A, above.

Based on the analysis above, the director rejects this objection from Marks.

Objection 6.C. Residential and Employment Land Need

Marks makes several assertions in this objection, all related to Metro's housing forecast methodology. Marks' overarching argument is that Metro's approach was outcome-driven; that Metro first decided to add Sherwood West to the UGB, and then selected a housing forecast that would result in the amount of unmet need necessary to justify that UGB expansion. Marks at 10–11.

Department Response:

The director disagrees with Marks that Metro's housing needs determination is inconsistent with Metro's housing needs analysis. Marks points to the "current need" determination of 23,700 housing units and adds it to the range of future housing need forecasts of high, medium, and low, claiming that the total is not consistent with Metro's conclusions. Marks objection at 10. Metro summarizes their final housing need estimate in Table 14 of the Urban Growth Report. Record at 61. Marks conflates the current need estimate and the total need, and erroneously adding them together, when in fact, the total need range of 119,600 to 179,500 includes both the current need of 23,700 and the future need forecast. Metro's findings in Exhibit F summarize the mathematical steps:

"The baseline population forecast estimates that there will be about 315,000 additional people in the seven-county Metropolitan Statistical Area (MSA) by 2044. UGR [Urban Growth Report] narrative, page 18. That equates to about 203,500 new households. UGR narrative, page 35.

"The next step involves estimating what percentage of the total number of forecasted household units in the seven-county MSA will locate within the Metro UGB by applying a capture rate. Metro applied a 70.7 percent capture rate, which generally represents a historical average of Metro's capture rate from 2010 to 2022. This identifies a need for 143,900 new household units. Applying a five percent vacancy rate to that number to account for an average number of vacancies at any given time equates to a need for 151,100 new dwelling units in the Metro UGB by 2044." UGR narrative, page 35.

“Adding the current housing need estimate based on the required factors in ORS 197A.348(2)(b)-(d) results in a total of 178,000 units of total housing need. UGR narrative, table 14.”Record at 1189.

The director finds no issue with Metro’s methodology and understands that Metro determined the total need for the next 20 years to be 178,000, and the total capacity of the region at 175,500 units. However, when broken down into single-detached, middle housing, and multifamily housing types, Metro found a slight surplus in capacity for multifamily housing, and a deficit in land for middle housing (400 units) and single-detached housing (2,700 units) and concluded there is need for additional capacity of 3,100 units in the UGB.

The director also disagrees with Marks’ argument that Metro used the fact that there is “uncertainty” in housing forecasts to select a forecast that would support the Sherwood West expansion. Marks objection at 11. Metro’s approach was to determine a range of possible housing need totals based on various potential future growth scenarios. Metro developed scenarios for both future population growth, as well as for future redevelopment, given unknown future market conditions. Metro’s final selected scenario was for baseline population growth and for a redevelopment scenario that leans toward more single unit detached development. Record at 40-42 and 56.

The director also disagrees with Marks’ assertion that Metro failed to explain why it chose the specific numbers it chose and failed to explain the basis for its conclusion that the ‘baseline’ growth scenario is the most likely scenario. Marks objection at 11. Metro included low, baseline, and high population growth forecasts in their analysis. All three forecasts assume that natural population growth will be negative after 2033 due to declining birth rates, and net migration to the region will drive regional population growth over the next 20 years. Record at 39 and 40. The baseline forecast estimates about 15,000 net new people per year over the next 20 years, which reflects the historical average. Metro explains that the low and medium forecasts are both possible, but they are not as likely, as they would require sustained and sizable decreases or increases in net migration. Record at 41.

Metro included various redevelopment scenarios in its analysis, explaining that “because most of the region’s housing growth occurs through redevelopment of already-developed lands, Metro has sought to improve how it estimates growth capacity from redevelopment in each UGR [Urban Growth Report].” Metro used a complex pro forma model to estimate redevelopment rates as well as what type of housing would be constructed through development, given that both middle housing and single unit detached housing are allowed in most residential zones. Record at 54-56. Metro explains that “the range of scenarios acknowledges the uncertainty around future market conditions as well as how developers and property owners will respond to those conditions.” Record at 192. Metro selects the baseline scenario for redevelopment instead of the market recovery scenario, which assumes a five percent increase

residential pricing and a market erosion scenario, which assumes a five percent decrease in residential pricing. Record at 179.

The director also disagrees with Marks' objection that Metro erroneously assumes it has discretion to pick any number if it is within the range. Marks objection at 11. Marks does not specifically dispute any of the evidence in Metro's analysis or point to the type of evidence that he thinks Metro would need to provide. The director finds that Metro has met the requirement to show substantial evidence for its conclusions. OAR 660-032-0030 governs Metro's population forecasting requirements, and provides in part:

"(4) The Metro forecast must be developed using commonly accepted practices and standards for population forecasting used by professional practitioners in the field of demography or economics. The forecast must be based on current, reliable and objective sources and verifiable factual information, and must take into account documented long-term demographic trends as well as recent events that have a reasonable likelihood of changing historical trends. Metro must coordinate with the PRC in the development and allocation of its forecast.

"(5) The population forecast developed under the provisions of (1) through (4) of this rule is a prediction which, although based on the best available information and methodology, should not be held to an unreasonably high level of precision."

Marks does not contend that Metro did not develop its forecast using commonly accepted practices or is in violation of any other parts of this rule. Metro provides detailed evidence and analysis to demonstrate that its forecasting methods are sound in the appendices of the Urban Growth Report. Record at 87-299. Notably, Metro convened a panel of experts in the region to review its forecasting work. Metro notes that:

"Panelists indicated that the persistence of remote work, quality of life concerns in downtowns, and cost of living on the West Coast potentially reduce the relative attractiveness of the region for migration, making it more challenging to forecast than before. Panelists indicated general agreement that using the long-term historic average of about 15,000 net migrants per year into the region seemed reasonable, but that staff should be clear about the uncertainty surrounding that assumption." Record at 165-166.

The director finds that a reasonable person could come to the same conclusion based on this evidence.

Marks specifically mentions Table 9, which summarizes the residential growth capacity inside the existing UGB. Marks contends that Metro has erred because the figures in Table 9 do not match the numbers or conclusions provided in Appendix 2. Marks objection at 11. Appendix 2 includes Metro's Buildable Land Inventory and Capacity

Estimates. The director finds that the numbers in Table 9 do come from Appendix 2, based on the scenarios that Metro council found were most likely:

- The figure 91,142 matches the total units of capacity in the Expected Density Method – Heavy SFR Mix table in Appendix 2. Record at 178.
- The figure 48,400 matches the total redevelopment capacity in the baseline scenario table in Appendix 2 Record at 179.
- The figures 19,896 and 10,137 together match the table with total new urban and planned of 30,033 units in Appendix 2. Record at 180.
- The figures 1,000 and 4,955 for office to residential conversions and ADUs and internal conversions, respectively, match the Conversions and ADU table in Appendix 2. Record at 182.

ORS 197A.350(5)(a)(C) directs Metro to consider in its Buildable Land Inventory “market factors that may substantially impact future urban residential development.” Metro has included the following analyses that contain supporting evidence for the redevelopment scenarios:

- A memo with extensive analysis and evidence from ECONorthwest on office-to-residential conversions trends and forecasts. The director finds that the evidence in this memo supports the conclusion that 1000 units over the next 20 years will be developed through this type of redevelopment. Record at 205-221.
- A memo with documentation of the redevelopment model from Johnson Economics that describes the pro-forma model used to estimate redevelopment rates and types, which includes detailed explanations of factors and data used in the model. Record at 222.
- Analysis from ECONorthwest estimating the capacity potential for accessory dwelling units and internal conversions. Metro selected the low forecast of 4,955 units; Metro explains that this forecast continues the average annual accessory dwelling unit production for 2019 – 2022, which is the period after Portland amended its accessory dwelling unit systems development charge waiver policy to include a restriction on use for short term rentals. Record at 204. ORS 197A.350(5)(b) allows Metro to use a three-year period of data for use in its buildable lands inventory “if Metro finds that the shorter time period will provide more accurate and reliable data related to housing capacity.”
- Metro explains its selection of the “Heavy SFR Mix” scenario, which predicts more single unit detached units rather than more middle housing units, in the following paragraphs from the Housing Needs Analysis in Appendix 8:

In Appendix E, Metro states,

“We expect the single-unit detached share of housing to be lower than what is on the ground today (52% of housing) because of affordability considerations and a shift towards smaller households and fewer children, but somewhat higher than in the past decade due to ongoing shifts towards older households, which are

more likely to live in single-detached housing than younger households.” Record at 1055.

“To produce a combined analysis of both future residential capacity and future demand, Metro staff paired the three housing demand scenarios with an array of alternative residential supply scenarios. The combined analysis incorporates several alternative future residential supply scenarios, which are informed by whether growth is assumed to be slower or faster. In a future of faster demographic growth rates, with the concomitant assumption that more growth will torque prices higher and faster, this scenario prompts a supply response to build less expensive, smaller and denser units. In a slower growth scenario, the demand for housing is eased and this outlook assumes tastes and preferences are likely to resemble historic patterns of housing consumption (though not identical because of a rapidly aging population and shifts in demography).

“The two baseline supply scenarios bracket an unknown market uptake for middle housing. Although some type of middle housing production (e.g., duplexes and townhouses) has existed for a long while, it is a hybrid housing product that straddles aspects of multifamily housing with its inherent higher carrying capacity while on the consumer end, middle housing offers features in the unit that resemble characteristics inherent of a single-family structure. Because housing costs are expected to continue rising even in real dollar terms, there is uncertainty whether middle housing will become a viable archetype, gaining widespread consumer acceptance. Hence, we have a pair of baseline scenarios that bookend a low vs. a high uptake of middle housing. The 2024 urban growth management decision relies on a baseline capacity scenario with lower uptake of middle housing.” Record at 1056.

The director also disagrees with Marks that Metro should have considered individual cities’ needs, referencing the City of Tualatin’s Housing Needs Analysis. Marks asserts that Metro would have concluded there is a need for an UGB expansion near Tualatin if it had considered Tualatin’s local Housing Needs Analysis. Marks objection at 12. The director notes that Metro made its determination of the need for land on a regional basis and not based on localized needs. Although Goal 14 and OAR 660-024-0060(5) would allow Metro to specify “size, topography or proximity” as site suitability characteristics and to limit consideration of alternative sites to land that has the specified characteristics, that does not mean that in not doing so Metro has erred. That Metro did not consider Tualatin’s land capacity and land needs from the overall regional need, which is the focus of the Urban Growth Report and UGB decision, provides no basis for remand..

Last, Marks references assertions by some of the cities and counties within Metro, who provided testimony to the record of their preference for Metro to use the high growth forecast rather than the baseline. Marks objection at 12-13. Marks quotes the City of Portland’s comments in particular, expressing a concern that the Metro Urban Growth

Report was underestimating population, housing, and economic growth in the Portland Metro area. Metro has the choice amongst conflicting evidence, so long as a reasonable person could reach the decision that Metro made. *Mazeski*, 28 Or LUBA at 184. See above for the director's discussion of Metro's methodology for estimating population, employment and housing growth for the region, which comply with relevant provisions of state law.

Based on the analysis above, the director rejects this objection from Marks.

G. Seventh Objection

James Marsh

James Marsh ("Marsh") asserts that Metro's decision will result in adverse impacts to properties within and adjacent to the expansion area. Marsh also asserts that Metro's decision does not match the needs of Sherwood or the southwestern portion of the region, as determined by recent estimates by Metro. Marsh's proposed remedy states, "We recommend the expansion plans remove the industrial portion of the proposal, and fight the Oregon state level requirements that mandate such inclusion to any community growth plan. Then we recommend Sherwood embrace its historical agricultural and neighborly community roots, and change the development plan to enhance this culture." Marsh objection at 2.

Department Response:

The director determines that the objection is invalid. Marsh does not develop this objection by clearly identifying an alleged deficiency in the submittal either by providing adequate detail regarding the portion of submittal alleged to be deficient or identifying what relevant law, goal, or rule Metro violated. Therefore, the objection fails to satisfy OAR 660-025-0140(2)(b).

The director rejects this objection from Objector Marsh as invalid.

H. Eighth Objection

Tualatin Riverkeepers

Tualatin Riverkeepers asserts that Metro's decision fails to demonstrate that the land currently within the UGB cannot support the estimated housing and employment needs. Tualatin Riverkeepers also asserts that Metro's decision fails to consider reasonable measures and evaluate alternative areas for UGB expansion.

Tualatin Riverkeepers offers a five-part remedy to resolve both objections.

“On remand, Metro Council should:

“1. Evaluate reasonable and alternative uses of the land within the existing UGB that would reasonably accommodate the regional housing and employment needs identified in the [Urban Growth Report].

“2. If it is determined that alternative measures do not exist or are impracticable, evaluate and select alternative areas for boundary expansion that would satisfy regional needs.

“3. Where UGB expansion is merited, prioritize alternative sites that reduce negative impacts to local ecosystems, particularly Chicken Creek and the Tualatin River National Wildlife Refuge.

“4. Recognize the substantial amount of high value Title 13 HCAs [Habitat Conservation Areas] in Sherwood West in its Title 14 ESEE analysis of alternative boundary locations.

“5. Use the criteria outlined in Goal 14, ORS 197A.350(6), the UGMFP [Urban Growth Management Functional Plan] (specifically Titles 3, 13, and 14) in its evaluations of reasonable alternative measures and sites for UGB expansion.”
Tualatin Riverkeepers objection at 13.

The director addresses the objections individually below.

Objection 8.A. Consideration of reasonable measures and alternative locations

This objection raises specific sub-objections, which are listed below. A director response follows each sub-objection.

Sub-objection 8.A.1: Consideration of reasonable measures

Tualatin Riverkeepers objects to Metro’s decision’s failure to consider reasonable measures to meet regional land needs identified in its Urban Growth Report using land within the existing UGB. Tualatin Riverkeepers further argue that a study by the West of Sherwood Farm Alliance (WoSFA) found that currently vacant lands within Sherwood’s Planning Area in the existing UGB are sufficient to accommodate 4,572 new homes and 5,526 new jobs without need for additional infrastructure costs. They argue that because of this existing capacity, there is no need to expand the UGB to meet these needs. Tualatin Riverkeepers objection at 4.

Department Response:

The director disagrees with Tualatin Riverkeepers for reasons explained below as well as in the director’s response to 1000 Friends objection 1.A and WoSFA objection

10.B.1, who raise a substantially similar issue regarding Metro's consideration of reasonable measures to meet identified land needs.

Metro coordinates with all local governments in the region to prepare a buildable land inventory to determine the amount of land available to meet identified needs based on projected growth in the region. Metro prepared two inventories of vacant residential land, one that anticipates a higher level of middle housing development and one that anticipates a higher level of single detached housing units. The Metro Council determined that the higher single detached scenario is more likely. That analysis shows that vacant lands within Sherwood's portion of the UGB provide the capacity for 748 dwelling units. Record at 178.

Additionally, Metro provided three scenarios analyzing the potential for the redevelopment of residential properties in the region – one assuming a weak housing market, one assuming the baseline housing market, and one assuming a strong housing market. The Metro Council determined that the baseline estimate is most likely. That analysis shows that redevelopable lands within Sherwood's portion of the UGB provide the capacity for 1,420 dwelling units. Record at 179.

Metro's analysis of available lands for commercial and industrial uses may be found in Exhibit E, Appendix 2. Record at 181. The inventory of buildable lands includes vacant lands in commercial, industrial, and certain mixed-use zones, as well as infill and redevelopment opportunities, along with newly-planned commercial and industrial lands. Metro's Buildable Land Inventory shows that Sherwood's portion of the UGB contains 13.9 potential acres for commercial development and 96.6 potential acres for industrial development.

The assessed capacity provided by WoSFA is significantly different from that assessed by Metro. However, Tualatin Riverkeepers' objection is not specific regarding the flaws in Metro's analysis and does not provide a rationale for why the WoSFA analysis is more accurate. Additionally, Metro has the choice amongst conflicting evidence, so long as a reasonable person could reach the decision that Metro made. *Mazeski*, 28 Or LUBA at 184.

Regardless of the accuracy of the capacity estimates, this sub-objection misunderstands the necessary analysis of the Urban Growth Report. Metro is charged with completing a comprehensive analysis of all lands available for development within the existing UGB, as well as determining the land needs to serve the projected population over the next 20 years. If the Metro region does not have sufficient available lands to meet all projected land needs over the planning period, Metro must consider an expansion of the UGB to address those needs. This means that Metro has already accounted for the developable lands within Sherwood's portion of the existing UGB in meeting Portland area-wide anticipated needs and there remains a deficit that Metro must address. To put this decision in context, Metro anticipates an additional 315,000 residents in the region by 2044, per the "baseline" estimate. Metro's housing needs

analysis finds that of the 178,000 new dwelling units needed to serve those new residents, 175,530 of those dwelling units can be accommodated within the existing UGB, leaving a deficit of approximately 2,500 dwelling units. Record at 1059. Similarly, Metro's analysis finds that most projected commercial and industrial land needs can be accommodated within the current UGB, but the region has a limited inventory of large industrial sites. Record at 1191.

Based on the analysis above, the director rejects this objection from Tualatin Riverkeepers.

Sub-objection 8.A.2: Analysis of expansion location alternatives

Tualatin Riverkeepers notes that Metro published the alternative location analysis (Appendices 7 and 7A, Record at 326 and 925, respectively) on the Metro website on October 18, 2024. This was ten days after the Metro Council's October 8, 2024 work session, arguing the Metro Council failed to consider the alternative location analysis before approving "the Sherwood West Concept Plan." Tualatin Riverkeepers also argue that Metro councilors did not discuss alternative sites and measures in subsequent decision making, which suggests that decision-makers did not adequately consider alternatives prior to approving the Sherwood UGB expansion.

Tualatin Riverkeepers also argue that the above-mentioned failure to adequately consider alternatives means that the decision is not in compliance with Goal 14, ORS 197A.350(6)(a) and (b), and Metro Code section 3.07.1425. Tualatin Riverkeepers state that Metro failed to evaluate the Sherwood South and Tonquin urban reserve areas, and therefore the decision is not in compliance with applicable criteria. Tualatin Riverkeepers objection at 6.

Department Response:

The director disagrees with Tualatin Riverkeepers that Metro's decision fails to consider all 27 urban reserve areas for inclusion within the UGB. The Metro Council provided preliminary direction to staff at their work session on October 8, 2024, but made no decision on the matter. This preliminary direction afforded staff adequate time to prepare a complete analysis of alternatives for Metro Council consideration. This preliminary direction did not restrict any Metro Councilor from reaching alternative conclusions based on the information provided in the record and following consideration at the subsequent public hearing. The Metro Council held a public hearing to consider the UGB decision on November 21, 2024, following posting of Appendices 7 and 7A to the Metro website on October 18, 2024. Consequently, Metro staff's analysis of the applicable locational factors for all 27 urban reserve areas was included in the record considered by the Metro Council during the November 21, 2024, public hearing, which also informed the decision to expand the UGB reached by the Metro Council on December 5, 2024. Record at 2, 6, and 7.

Metro provides analysis of the Goal 14 boundary location factors for the Sherwood South and Tonquin urban reserve areas in Appendix 7, along with analysis of all 25 other urban reserve areas. Record at 705, 763, and 349, respectively. That analysis then removes seven of the potential urban reserve areas from consideration, including the Tonquin area, due to low scores in relation to the Goal 14 boundary location factors. Record at 346. The record also includes analysis of the Metro Code factors for the Sherwood South urban reserve area in Appendix 7A. Record at 1020.

Whether this objection is considered to allege a procedural error under ORS 197.633(3)(b), an evidentiary challenge under ORS 197.633(3)(a), or both, based on the analysis above, the director rejects this objection from Tualatin Riverkeepers.

Sub-objection 8.A.3: Analysis of alternative sites and reasonable measures for land use

Tualatin Riverkeepers objects to Metro's decision's failure to meaningfully evaluate reasonable measures of land use within the existing UGB and alternative areas for UGB expansion as required by Goal 14, ORS 197A.350(6)(a) and (b), and Metro Code section 3.07.1425. For example, Metro did not meaningfully consider alternatives in either the Tonquin or Sherwood South study areas. Tualatin Riverkeepers Objection at 7-10.

Department Response:

The director disagrees with Tualatin Riverkeepers. Metro conducted a detailed analysis of 27 different subareas for consideration in its urban growth boundary amendment analysis. Record at 326-925. This analysis includes both the Tonquin and Sherwood South subareas. This argument is similar to the Tualatin Riverkeepers argument in sub-objection 8.b., and the director's response is the same.

Based on the analysis above, the director rejects this objection from Tualatin Riverkeepers.

Objection 8.B. Metro Titles 3 and 13

Tualatin Riverkeepers objects to Metro's decision's failure to consider both reasonable measures to use land within the existing UGB to meet the estimated needs and alternative sites for the proposed UGB expansion, and in doing so, violates Metro Code sections 3.07.340(d)(3)(D)(i) and 3.07.1340(b). Tualatin Riverkeepers note that the Sherwood West area contains water quality, flood management and wetland areas along the riparian corridor of Chicken Creek and the headwaters of Goose Creek, along with habitat conservation areas, and argue that the cited Metro Code provisions require Metro to consider "practicable alternatives for the UGB expansion." Tualatin Riverkeepers objection at 11.

Department Response:

The director disagrees with Tualatin Riverkeepers at this time. The cited Metro Code provisions (Metro Code section 3.07.340(d)(3)(D)(i)³⁸ and Metro Code section 3.07.1340(b)³⁹) direct cities and counties within Metro to adopt conforming regulations and requirements to address development in and near significant natural areas, such as waterways and wetlands within their jurisdiction. This work will properly occur following inclusion of the Sherwood West area in the urban growth boundary but would be premature prior to the decision to include this area within the urban growth boundary and within the jurisdiction Sherwood. Metro addresses this issue as follows in the Findings of Fact and Conclusions of Law:

“The existing Title 13 inventory for the area is from 2005 and is outdated; because the area is currently outside of Metro, Title 13 does not create habitat protection requirements that are binding until it is added to the UGB and to Metro’s jurisdictional boundary. When this area is added to the UGB, Title 13 requires the city and Metro to update the inventory to reflect any changes in conditions that have occurred since 2005, including the removal of a substantial number of trees that has occurred since that time.” Record at 1195.

As noted in response to objection 2.K., Metro has evaluated and balanced the environmental consequences of the potential urbanization of the 27 Metro urban reserve areas, including Sherwood West as part of the required Goal 14 boundary location factors. Record at 329 - 796. Additionally, after determining that seven of the 27

³⁸ Metro Code 3.07.340(d)(3)(D)(i) provides, in part:

“(d) Implementation Tools to Protect Water Quality and Flood Management Areas.

“(3) Additions, alteration, rehabilitation or replacement of existing structures, roadways, driveways, accessory uses and development in the Water Quality and Flood Management Area may be allowed provided that:

“(D) In determining appropriate conditions of approval, the affected city or county shall require the applicant to:

“(i) Demonstrate that no reasonably practicable alternative design or method of development exists that would have a lesser impact on the Water Quality Resource Area than the one proposed; and..”

³⁹ Metro Code 3.07.1340(b) provides, in part:

“The following performance standards and best management practices apply to all cities and counties that choose to adopt or rely upon their comprehensive plans and implementing ordinances to comply, in whole or in part, with Metro Code Section 3.07.1330(b)(2):

“(b) City and county comprehensive plans and implementing ordinances shall contain review standards applicable to development in all Habitat Conservation Areas that include...”

urban reserve areas were the least suitable for urbanization, Metro considered five Metro Code factors in relation to the potential urbanization of the remaining 20 urban reserve areas, including Sherwood West. The five Metro Code factors include consideration of the “avoidance of conflict with regionally significant fish and wildlife habitat,” which directly relates to potential impacts to upland and aquatic natural resource areas. Record at 929-1036.

Metro has demonstrated that it appropriately considered the potential environmental impacts of urbanization based on applicable criteria for the UGB expansion. Further, Metro has demonstrated that appropriate measures are in place to assess and minimize impacts to sensitive environmental areas as required by the Metro Code and Urban Growth Management Functional Plan following the UGB decision.

The objection does not establish that either Metro Code section 3.07.340(d)(3)(D)(i) or Metro Code section 3.07.1340(b) is applicable to the director’s review of Metro Ordinance 24-1520. Based on the analysis above, the director rejects this objection from Tualatin Riverkeepers.

I. Ninth Objection

Verde

Objector Verde asserts that Metro’s decision neither evaluates alternative sites for the proposed UGB expansion, as required by Goal 14, nor demonstrates that the identified housing and employment needs cannot be reasonably accommodated in the existing UGB, as required by Metro Code section 3.07.1425(b). Citing several specific policy concerns related to the urbanization of Sherwood West, Verde further asserts that the selected expansion area would result in adverse impacts to the region. Verde objection at 2.

The objector’s remedies are to remand the decision. In this remand, Metro would be directed to, “evaluate and compare alternative sites for expansion as well as alternatives to expansion that make better use of lands within the UGB, with attention to the following factors:

“1. Impacts of various alternatives on regional capacity to provide and equitably distribute housing-supportive infrastructure, including transportation networks, within the existing UGB and any expansion area

“2. Climate and environmental impacts of induced VMT associated with various alternatives, and

“3. Impacts of planned density and feasibility of serving various alternative sites with safe, multimodal transportation infrastructure on outcomes of housing affordability and accessibility.” Verde objection at 4-5.

Department Response:

The director does not agree with the objection. The director finds that Metro has appropriately determined whether the Metro region can “reasonably accommodate” needed population and economic growth within the existing UGB (see discussion under the director’s response to 1000 Friends objection 1.A.). The director also finds that Metro appropriately considered alternative locations for UGB expansion (see discussion under the director’s response to Marks’ objection 6.A.).

Based on the analysis above, the director rejects the objection from Verde.

J. Tenth Objection

West of Sherwood Farm Alliance

Objector West of Sherwood Farm Alliance *et al* (“WoSFA”) submitted nineteen objections to the Metro UGB expansion decision, including nine sub-objections.

Objection 10.A. Goal 14 analysis

WoSFA objects to Metro’s decision’s failure to evaluate alternative sites, including those within the existing UGB, as required by Goal 14 locational factors, ORS 197A.350(6)(a) and (b),⁴⁰ and Metro Code section 3.07.1425. WoSFA’s proposed remedy is to remand the decision for Metro to:

⁴⁰ ORS 197A.350 provides, in part:

“Determination of housing capacity and accommodation of needed housing by Metro.

“(6) If the housing need determined pursuant to subsection (3)(b) of this section is greater than the housing capacity determined pursuant to subsection (3)(a) of this section, Metro shall take one or both of the following actions to accommodate the additional housing need:

“(a) Amend its urban growth boundary to include sufficient buildable lands to accommodate housing needs for the next 20 years. As part of this process, Metro shall consider the effects of measures taken pursuant to paragraph (b) of this subsection. The amendment shall include sufficient land reasonably necessary to accommodate the siting of new public school facilities. The need and inclusion of lands for new public school facilities shall be a coordinated process between the affected public school districts and Metro that has the authority to approve the urban growth boundary.

“(b) Amend its regional framework plan, functional plan or land use regulations to include new measures that demonstrably increase the likelihood that residential development will occur at densities sufficient to accommodate housing needs for the next 20 years without expansion of the urban growth boundary. If Metro takes this action, Metro shall adopt findings regarding the density expectations assumed to result from measures adopted under this paragraph based upon the factors listed in ORS 197A.348 (2) and data in subsection (5)(a) of this section. The density expectations may not project an increase in residential capacity above achieved density by more than three percent without quantifiable validation of such departures. A quantifiable validation

“• Identify and evaluate alternative measures that will accommodate all or some of the regional needs (for additional housing and employment identified in the [Urban Growth Report]) on land within the UGB.

“• Correct the methodology for selecting or eliminating sites within urban reserves for evaluation.

“• Apply the criteria used to implement the standards in Goal 14, the Goal 14 Administrative Rule, ORS 197A.350(6) and the Urban Growth Management Functional Plan.

“• To the extent a UGB expansion is merited (because of limitations on the effectiveness of alternative measures) to evaluate and select the alternative lands that can be used to satisfy regional needs.” WoSFA Objection at 14-15.

Department Response:

The director disagrees with WoSFA. The director addresses Metro’s consideration of alternative boundary locations based on applicable criteria in the response to objection 6.A. In summary, the director finds that Metro’s analysis considered all 27 urban reserve areas for inclusion within the UGB and made a reasonable decision based on applicable criteria.

Based on the analysis above, the director rejects this objection from WoSFA.

Objection 10.B. Selection of expansion area

This objection raises specific sub-objections, which are listed below. A director response follows each sub-objection.

Sub-objection 10.B.1. Consideration of reasonable measures

WoSFA objects to Metro’s decision’s failure to demonstrate consideration of reasonable measures, as required by ORS 197A.350 and OAR chapter 660, division 24. This objection takes note of development capacity estimates prepared by the WoSFA and the City of Portland, as well as providing results from the City of Portland’s Residential Infill Project Year-One Report. Objection at 15-23.

The objector does not offer a remedy that would resolve the objection.

Department Response:

must demonstrate that the assumed housing capacity has been achieved in areas within Metro that are zoned to allow no greater than the same authorized density level, as defined in ORS 227.175.”

Because the objector did not suggest specific revisions that would resolve the objection (see OAR 660-025-0140(2)(c)), the director finds that this objection is invalid. In any event, the director provides a response to the substantive assertions of this objection in her response to Objections 1.A. and 1.B. To sustain a challenge based on conflicting evidence, WoSFA would have to demonstrate that a reasonable person could not reach the decision Metro made in view of all the evidence in the record. *Mazeski*, 28 Or LUBA at 184. The director rejects this sub-objection.

Nevertheless, the director understands this objection to be similar to 1000 Friends objection 1.A, Tualatin Riverkeepers objection 8.A.1 and 8.A.3 and Verde objection 9, who raise a substantially similar issue regarding Metro's evaluation of reasonable measures of land use within the existing UGB and alternative areas for UGB expansion, and also rejects it for those reasons stated in review of those objections.

Sub-objection 10.B.2. Accommodation of land needs in alternative locations

WoSFA objects to Metro's decision failure to consider how the different regional needs could be met on alternative lands in various urban reserves; instead, Metro only studied and compared entire urban reserve areas for inclusion into the UGB.

The objector's remedy is to remand the decision to Metro to, "Consider how various lands within urban reserves could be used to meet regional needs, while best meeting the locational factors in Goal 14, state statute and Metro's Urban Growth Management Functional Plan." WoSFA objection at 30.

Department Response:

The director disagrees with WoSFA that, instead of evaluating entire urban reserve areas, Metro should have looked at portions of the urban reserve areas to cumulatively meet all identified land needs. WoSFA does not establish that there is a requirement for Metro to evaluate lands in the manner it suggests; therefore, the objection provides no basis for the director to remand the submittal. Although it is possible for Metro to evaluate subareas within the identified urban reserve areas, the practical difficulty of dividing each of the 27 urban reserve areas into subareas and analyzing each subarea against the four Goal 14 boundary location factors is daunting. Evaluating infrastructure provision by subarea would be a complex process, as infrastructure extension relies on contiguous connections to existing systems, meaning that development of one subarea could be contingent upon inclusion of certain other subareas as well.

OAR 660-024-0060(6) provides direction to Metro in the analysis of boundary location alternatives, as follows:

"The adopted findings for a Metro UGB adoption or amendment must describe or map all of the alternative areas evaluated in the boundary location alternatives analysis. If the analysis involves more than one parcel or area within a particular

priority category in ORS 197.298 for which circumstances are the same, these parcels or areas may be considered and evaluated as a single group.”

Metro’s consideration of UGB expansion areas evaluates only lands within the category of first priority lands to be included within a UGB, which is urban reserve areas. The buildable land area within each of these 27 urban reserves varies from 20 to 953 acres. OAR 660-024-0060(6) does not require the subarea analysis as argued by WoSFA. Metro has appropriately evaluated potential urban reserve areas for inclusion within the UGB.

Based on the analysis above, the director rejects this sub-objection from WoSFA.

Sub-objection 10.B.3. Protection of agricultural uses

WoSFA objects to Metro’s decision’s failure to consider protection of farmland within the expansion area, as required by Metro Code section 3.07.1425(c).

Metro Code section 3.07.1425(c) establishes criteria for Legislative Amendment to the UGB, and provides in part:

“If the Council determines there is a need to amend the UGB, the Council shall evaluate areas designated urban reserve for possible addition to the UGB and shall determine which areas better meet the need considering the following factors:

“* * * * *

“(7) Protection of farmland that is most important for the continuation of commercial agriculture in the region;”

The objector’s remedy is to remand the decision to Metro and, if it finds a UGB expansion is needed, directed to, “protect the lands most important for the continuation of commercial agriculture in the region.” WoSFA objection at 31.

Department Response:

The director disagrees with WoSFA that Metro has misinterpreted criterion 3.07.1425(c)(7). In Appendix 7A, Metro states that criterion 3.07.1425(c)(7) is obviated by the designation of the 27 urban reserve areas, arguing that “protection of farmland within any of the urban reserves is not, for the purposes of responding to this Metro Code factor, considered important for the continuation of commercial agriculture in the region,” thus essentially finding that the designation of these areas as urban reserves makes them all unimportant for the continuation of commercial agriculture in the region. Record at 930. In response to WoSFA’s argument of this issue, Metro reiterated this

argument in its findings and pointed out that Metro is entitled to deference in the interpretation of its own code. Record at 1200.

The language of Metro Code section 3.07.1425(c) provides nine factors (four of which are the Goal 14 Boundary Location factors) to evaluate “areas designated urban reserve” to “determine which areas better meet the need considering the following factors,” one of which is the protection of lands most important for the continuation of commercial agriculture in the region. The director assumes Metro would not have included this criterion if this was the conclusion Metro would come to regarding its application, but it may be that it was for instances that did not involve utilizing designated urban reserves. .

Nevertheless, the director defers to Metro’s interpretation of Metro Code section 3.07.1425(c). Once Metro designated urban reserve areas, it intended to add them to the Metro UGB within the next 50 years if Metro could demonstrate a need for additions to the UGB. It makes little or no sense for Metro, certainly in regard to this particular UGB decision, to consider whether such lands are important for commercial agriculture in the future, when the point of the urban reserve is to eventually remove such lands from commercial agricultural use.

ORS 197.633(3)(c) requires the director to give deference to a local government interpretation of its own plan, and references standards in ORS 197.829. ORS 197.829(1) provides that the director shall affirm a local government’s interpretation of its comprehensive plan and land use regulations, unless the director determines that the local government’s interpretation:

- “(a) Is inconsistent with the express language of the comprehensive plan or land use regulation;
- “(b) Is inconsistent with the purpose for the comprehensive plan or land use regulation;
- “(c) Is inconsistent with the underlying policy that provides the basis for the comprehensive plan or land use regulation; or
- “(d) Is contrary to a state statute, land use goal or rule that the comprehensive plan provision or land use regulation implements.”

The director determines, looking at these factors, that Metro is afforded deference to its interpretation of Metro Code section 3.07.1425(c). Metro met the express language of the provision with its finding that all of the urban reserve areas were equally unimportant for commercial agriculture. Record at 930. The director accepts Metro’s interpretation of the purpose of Metro Code section 3.07.1425(c), and also agrees with Metro that, with regard to this particular UGB decision, that purpose does not allow for a distinction among different urban reserve areas. The director agrees with the underlying policy that

these urban reserve areas will eventually be urbanized and thus are not important to commercial agriculture. And finally, the director finds that Metro's interpretation is not contrary to any relevant state statute, land use goal, or rule.

Additionally, the objection does not offer compelling evidence that the Sherwood West urban reserve area contains farmlands that are "most important for the continuation of commercial agriculture in the region." The objection notes that "lands in the expansion area are highly productive, growing crops that cannot be grown in other places in the U.S. In addition, the loss of these lands reduces the land base needed to sustain the economic base and services required to maintain a farm economy." Notably, the lands in the expansion area are not designated rural reserve. There is nothing in this statement that would differentiate the Sherwood West area from other urban reserve areas, many of which could be described in the same terms. Additionally, although the objection notes that WoSFA testimony in the record demonstrates that lands within the expansion area are highly productive, a review of the testimony submitted provides no specific information on this topic, and no references are provided to any other relevant testimony.

In the absence of evidence to the contrary, the director finds that Metro made no clear error by including Sherwood West within the UGB as opposed to other urban reserve areas. Consequently, the director finds no basis for remand and rejects this objection.

Sub-objection 10.B.4. Metro locational factors

WoSFA objects to Metro's decision's legal errors, contradictions and unsupported conclusions under the other locational factors. WoSFA argues that Metro failed to appropriately consider all nine of the Metro Code's locational factors in Metro Code section 3.07.1425(c).

The objector's remedy is to remand the decision to Metro. In this remand, Metro would be directed to:

"conduct an appropriate, unbiased analysis of the lands within Metro's Urban Reserves, directly comparing them to lands contained in the proposed Sherwood West expansion area. The Council should be directed to adequately address the locational factors, using realistic and internally consistent assumptions about infrastructure costs, the value of environmentally sensitive lands, and the other factors, all with adequate time for review and comment by the public." WoSFA objection at 31-34.

Department Response:

The director notes that compliance with Metro's nine locational factors has been evaluated in response to other objections received. Findings in relation to each of these factors are included by reference below:

- Selection of Sherwood West for UGB expansion conflicts with Metro Code section 3.07.1425(c)(1) because it does not efficiently accommodate identified land needs. WoSFA Objection at 31.

Findings from WoSFA, Objection 10.G are incorporated by reference as findings in relation to this sub-objection. Based on that analysis, the director rejects this sub-objection.

- Anticipated infrastructure costs for development in the area conflict with Metro Code section 3.07.1425(c)(2), which will not allow for the orderly and economic provision of public facilities and services to the area. The objection quotes from the record that projected public facilities will cost \$334 million, or about \$7 million per acre, and notes analysis from the Bunch objection showing that these numbers are low. WoSFA Objection at 32.

To sustain this objection, WoSFA must show either that Metro did not consider the orderly and economic provision of public facilities and services to the Sherwood West area or that Metro's consideration was not based on substantial evidence; the director finds neither to be the case. Metro analyzed the costs of providing public facilities to the Sherwood West area as part of its weighing and balancing of the four Goal 14 locational factors. Record at 723-733. Metro considered this information in concert with comparable public facilities costs for other subareas in considering Location Factor 2 from Goal 14. Record at 326-925. Metro specifically commissioned a study from MacKenzie to estimate cost of sewer, water, and storm drainage costs for each of the 27 subareas Metro reviewed. Record at 798-925. Based upon this voluminous review, and weighing and balancing the four Goal 14 factors (of which public facilities issues relate to only one of those four factors), Metro came to a considered decision that development of the Sherwood West area with urban uses would allow for an orderly and economic provision of public facilities. The objector provides no specific comparison or context for the assertion that public facilities costs for the Sherwood West would not allow for the orderly and economic provision of public facilities. Therefore, the director rejects this sub-objection.

- Metro did not appropriately balance the environmental, energy, economic, and social consequences of including Sherwood West in the UGB, in conflict with Metro Code section 3.07.1425(c)(3). WoSFA objection at 32-33.

The director does not agree with this objection. The environmental, energy, economic and social (ESEE) consequences are found in Factor 3 of the Goal 14 Locational Factors. Metro provided such an analysis for all 27 subareas, including Sherwood West. Record at 732-734. This argument presents general policy-based concerns about the Sherwood West UGB expansion related to climate change, environmental impacts and segregation. Other than generally arguing that Metro should have done a better job explaining some of the ESEE consequences of expanding the UGB, WoSFA does not

articulate a reason why Metro's decision incorrectly applies the law or is not supported by substantial evidence in the record. WoSFA points to evidence that it submitted based on census data showing a lack of correlation between jobs and housing and commute lengths but does not identify the evidence relied on by Metro that conflicts with the WSFA evidence and does not explain why it was unreasonable for Metro to rely on the evidence that it did. To sustain a challenge based on conflicting evidence, WoSFA would have to demonstrate that a reasonable person could not reach the decision Metro made in view of all the evidence in the record. *Mazeski*, 28 Or LUBA at 184. Therefore, the director rejects this sub-objection.

- Metro did not appropriately consider the compatibility of urban uses with nearby farm and forest uses, in conflict with Metro Code section 3.07.1425(c)(4). WoSFA objection at 33.

To the extent that this objection relates to existing farm uses within the urban reserve area of Sherwood West, the director rejects this objection as misreading Factor 4 of Goal 14. See the director's response to Bunch objection 2.L.

Goal 14, Boundary Location Factor 4, provides that as part of a UGB expansion a local government must consider, for any area considered to be added to a UGB, "[c]ompatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB." Metro made this consideration for the Sherwood West subarea. Record at 735-737. Metro also did this analysis for all 27 subareas under consideration for UGB expansion. Record at 326-925. WoSFA points out that several other subareas had less impact upon nearby agricultural and forest activities occurring on farm and forest lands outside the UGB, but Metro is not required to prioritize this Goal 14 locational factor among others. See *1000 Friends of Oregon v. Metro*, 174 Or App at 409-410 (requirement that each factor must be addressed does not make the factors independent approval criteria). Therefore, the director rejects this objection.

- Metro did not sufficiently consider the equitable and efficient distribution of housing and employment opportunities throughout the region, in conflict with Metro Code section 3.07.1425(c)(5). WoSFA objection at 33.

The director does not agree with this objection. See discussion in response to Objection 4.A. regarding distribution of housing. Regarding employment land, the objector does not develop an argument as to why Metro did not consider the equitable and efficient distribution of employment opportunities sufficient for the director to sustain the objection. Therefore, the director rejects this objection.

- Metro erred in its consideration of the contribution to the purposes of Centers and Corridors, in conflict with Metro Code section 3.07.1425(c)(6). WoSFA objection at 33

The director does not agree with this objection. See discussion under Objection 10.G. Therefore, the director rejects this objection.

- Metro erred in not protecting farmland that is most important for the continuation of commercial agriculture in the region, in conflict with Metro Code section 3.07.1425(c)(7). WoSFA objection at 33.

The director does not agree with this objection. See discussion earlier in this section. Therefore, the director rejects this objection.

- Metro's UGB decision does not avoid conflict with regionally significant fish and wildlife habitat, in conflict with Metro Code section 3.07.1425(c)(8). WoSFA objection at 33.

The director does not agree with this objection. See discussion in response to Objection 2.K. Therefore, the director rejects this objection.

- Metro's UGB decision will not accomplish a clear transition between urban and rural lands, in conflict with Metro Code section 3.07.1425(c)(9). Specifically, the Sherwood West Area is separated from the rest of the community by State Highway 99 and Chicken Creek, which prevent a smooth transition between new and existing urban uses. WoSFA objection at 33-34.

The director does not agree with this objection. This Metro code provision, as with the four locational factors under Goal 14, is not an approval criterion, but rather a factor that Metro must weigh and balance with the other eight factors in coming to a reasoned and balanced decision. Additionally, the objector notes alleged discontinuity between two urban areas, the existing Sherwood community and proposed Sherwood West, while the factor speaks to a clear transition between urban and rural lands. Metro correctly analyzed the factor. Record at 1025-1026, weighing and balancing the result against results among all 27 areas considered for UGB expansion and the other eight Metro factors for consideration. Therefore, the director rejects this sub-objection.

In summary, the director rejects this entire objection from WoSFA.

Objection 10.C. Accommodation of needed housing and relevance of Oregon Housing Needs Analysis

WoSFA objects to Metro's decision's failure to consider whether resulting housing development in the Sherwood West UGB expansion area will satisfy housing needs of different income groups, consequently not complying with Goal 10 and related administrative rules, state statutes, and Metro's Urban Growth Management Functional Plan. WoSFA at 35. WoSFA also argues that Metro should have used the Oregon Housing Needs Analysis (OHNA) needed housing allocations from the Department of Administrative Services (DAS) as part of its analysis of housing need.

WoSFA argues that Metro did not consider the how the UGB expansion will satisfy housing needs of different income groups and specifically cites Goal 10, OAR 660-015-0000(10), Metro Code section 3.07.1110 (Planning for Areas Designated Urban Reserve), Metro Regional Framework Plan 1.3 (Housing Choices and Opportunities), ORS 197A.018 and ORS 197A.348 Definition of “needed housing,” and ORS 197A.350 Determination of housing capacity and accommodation of needed housing by Metro. WoSFA at 35-38. WoSFA also states, “There is no mention of other forms of “needed housing” including farmworker housing, subsidized rent-restricted public, private and nonprofit housing or manufactured homes and manufactured home parks and single room occupancy units.” WoSFA at 42.

WSFA cites the draft needed housing estimates in DAS’s OHNA Interim Methodology to argue that the Metro UGB decision should be based on the needed housing numbers from DAS. WSFA at 38-39 and 44.

The objector’s remedies are to remand the decision to Metro. In this remand, Metro would be directed to,

“address the needs of housing by median household income ranges, stated by DAS and in its own [Urban Growth Report] and consider whether and how they could best be met in the Sherwood UGB expansion area, or in whole or in part, in other parts of the region. LCDC may choose to remand the decision until Metro’s work can be based on the final Oregon Housing Needs [Analysis]. In considering affordability, LCDC should direct Metro to measures promoting adaptive reuse of existing homes and structures, prefabricated structures, the potential supply of other types of needed housing including single room occupancy units, income restricted units, cooperative housing, sites for manufactured home parks. Metro should be directed to consider commuting costs as a constraint on income available for housing and its own information on which programs and incentives have proven effective in offsetting higher housing costs with lower household transportation costs.” WoSFA objection at 44.

Department Response:

The director disagrees with WoSFA’s objection; the director reviews what Metro submitted, not what Metro may have submitted. The director has specifically addressed the issues raised by WoSFA in her response to Objections 1.C. and 4.A. Therefore, the director rejects this objection from WoSFA.

Objection 10.D. Relevance of North Plains UGB expansion

WoSFA objects to Metro’s decision’s failure to consider the potential impacts of an expansion to the North Plains UGB on the region’s housing and employment land

needs, as “required by Goal 2 and multiple coordination requirements in statute, administrative rules, and as interpreted by LUBA.” WoSFA objection at 46.

The objector’s remedies are to, “either remand Metro’s [Urban Growth Report] determinations directing the Council to coordinate and achieve factual consistency between Metro’s and North Plains’ assumptions about regional land needs and supplies for housing, commercial development and 50-acre high tech manufacturing sites, or... [to have DLCD staff carry out] that reconciliation itself in consultation with the two governments, pending on the outcome of current litigation or reconsideration by the new city council in North Plain[s].” WoSFA objection at 47.

Department Response:

The director disagrees with WoSFA for three reasons:

1. "Goal 2 requires that when Metro is adopting or amending its plans it must ensure that its new or amended plans are 'coordinated with the plans of affected governmental units.'" *City of Sandy v. Metro*, LUBA No. 2004-107 (2005). Because North Plains is not part of the Metro area – it is a separate city with a separate UGB; North Plains is not an affected governmental unit.⁴¹ Recent efforts by the city to adopt an economic opportunities analysis, housing needs analysis, and urban growth boundary expansion are based upon issues unique to North Plains. The city’s 20-year growth projections must be based upon factors unique to the city and are not allowed to or designed to somehow appropriate development that would otherwise occur within Metro. Thus, although coordination with North Plains might be beneficial, it is not required and therefore cannot be a basis for remand.

2. Even if recent planning activities in North Plains were relevant to the overall Metro area, the city has publicly stated its intention to not move forward with its recent UGB expansion adoption and is undergoing a community reevaluation of the city’s future, including the size of UGB expansion. If Metro were to somehow try to factor North Plains planning as a significant factor in its own UGB planning, it is unclear at this point what assumptions Metro could reasonably make.

3. The scale of Metro vs. the scale of North Plains makes the actions of the latter insignificant from the perspective of Metro. The current population of the city, 3,378, is little more than one-tenth of one percent of the population of the Portland Metro area.

Based on the analysis above, the director rejects this objection from WoSFA.

Objection 10.E. Employment land site suitability

⁴¹ Goal 2 defines “Affected Governmental Units” as “those local governments, state and federal agencies and special districts which have programs, land ownerships, or responsibilities within the area included in the plan.”

WoSFA objects to Metro's decision's failure to demonstrate the suitability of Sites A.5 and A.6 to satisfy the identified employment land need, as required by Goal 2, 3.07, Metro's Urban Growth Management Functional Plan, 3.07.1310 through 3.07.1370.

This objection raises specific sub-objections. A director response follows each sub-objection.

Sub-Objection 10.E.1: Excess Industrial Land Approved

WoSFA objects to Metro adding excess land for industrial use as identified in the Sherwood West Concept Plan Mixed Employment Area. WoSFA objection at 51.

Department Response:

The director rejects this objection. WoSFA has incorrectly assumed all land use in the "Mixed Employment Areas" identified in the Sherwood West Concept Plan will be industrial. The Mixed Employment Area as depicted in the concept plan includes both industrial and commercial uses and Metro classified a portion of lands into the commercial land category. Trying to parse out the amount of industrial vs. commercial land within this category in comparison to the overall commercial and industrial land need in the Metro area is not necessary. See OAR 660-024-0040(1) and 660-024-0050(5). See also discussion of Objection 1.B.

Sub-objection 10.E.2: Suitability of site A.5 for industrial land needs

WoSFA objects to Metro's decision not providing a factual basis for concluding that the expansion area can accommodate the high-tech manufacturing site needs identified in the Urban Growth Report. WoSFA claims this is a violation of Goal 2 "which requires a sound factual foundation for planning decision." WoSFA objection at 54.

This objection focuses on the amount of developable land provided by site A.5 in the Sherwood West UGB expansion area. The Urban Growth Report identifies a need for two 50-acre sites that meet certain site characteristics required by the semiconductor manufacturing industry, including site size. WoSFA argues that site A.5 does not meet the site size requirement identified in the Urban Growth Report because portions of the site are constrained by Bonneville Power Administration transmission lines and Title 13 habitat area. WoSFA objection at 51. WoSFA contends that these constraints limit the developable area of the site to between 33 and 34 acres, making this site unsuitable for high tech manufacturing as described in the Urban Growth Report. The objector's remedy is for LCDC to, "find that Metro staff's findings on the suitability of Site A.5 are contradicted by undisputed facts in the record and direct the Metro Council to consider alternate measures to find such sites within the UGB or other sites in other Urban Reserves that could satisfy the specified regional need. LCDC should also require the Metro Council to reconsider its conclusion on a regional need for additional high-tech

manufacturing in the light of recent circumstances and the Governor’s decision not to site additional land under SB 4.” WoSFA objection at 54.

Department Response:

The director disagrees with WoSFA. Metro identifies industrial land need for high tech manufacturing sites in the Urban Growth Report. Record at 81. The Urban Growth Report specifically identifies an unmet need for sites that may accommodate anticipated growth in the semiconductor manufacturing industry. This need is based on the findings of the Oregon Semiconductor Competitiveness Task Force, which issued a report in 2022 that concluded a deficiency of development-ready industrial land supply in certain size classes. The report identified a need for four industrial sites between 50 and 100 acres in size for semiconductor manufacturing industrial use. Record at 1168.

Goal 2 requires that local governments provide a factual basis for the plan.

“Inventories and other forms of data are needed as the basis for the policies and other decisions set forth in the plan. This factual base should include data on the following as they relate to the goals and other provisions of the plan:

“(a) Natural resources, their capabilities and limitations

“(b) Man-made structures and utilities, their location and condition

“(c) Population and economic characteristics of the area

“(d) Roles and responsibilities of governmental units.”

The objector concludes that site A.5 in the Sherwood West expansion area cannot meet this need because site constraints reduce the developable land to a site size inconsistent with the need identified by Metro. Local inventories of employment land regularly distinguish between gross and net developable acreage. Gross acreage is the total quantity of land provided by a site or parcel, regardless of its development capacity for a proposed use. Net acreage accounts for development constraints such as wetlands, steep slopes, or manmade features such as roads or other required infrastructure, as they relate to a proposed type of development. Concept plans do not customarily analyze net developable acreage at a parcel-scale level of detail.

WoSFA assumes that the 50-acre site size class included in the Oregon Semiconductor Competitiveness Task Force report and the Urban Growth Report represents a need for 50 developable net acres. Neither report distinguishes between net and gross acreage requirements for this site size class. However, Metro’s conditions of approval for expansion of the UGB to include Sherwood West require that “City land use regulations, annexation procedures, or other means shall provide for creation of at least two sites of 50 gross acres or larger” indicating that the intention of Metro is to provide high tech

industrial sites in this size class by gross acreage. Record at 14. Sherwood is consistent in its representation of the size of both sites included in the concept plan for high tech industrial development, and in its letter to Metro Council the city draws no conclusion regarding a required net developable acreage for these sites. Record at 1268.

Additionally, Metro refutes the objector's claim that Title 13 of Metro Code would constrain a portion of site A.5. Metro's decision includes findings about the application of Title 13, habitat conservation, in UGB expansion areas. "Title 13 does not create habitat protection requirements that are binding until it is added to the UGB and to Metro's jurisdictional boundary. When this area is added to the UGB, Title 13 requires the city and Metro to update the inventory to reflect any changes in conditions that have occurred since 2005..." Record at 1195.

Consistent with the conclusions of the urban growth report, site A.5 provides 50 or more gross acres for industrial development.

Based on the analysis above, the director rejects this objection from WoSFA.

Sub-objection 10.E.3: Suitability of site A.6 for industrial land needs

WoSFA objects to Metro's decision not resulting in sufficient lands to accommodate the industrial sites identified in the Urban Growth Report. WoSFA argues that the Sherwood West Concept Plan site labeled A.6 cannot support a 50-acre high tech manufacturing site because most of the site is designated a moderate value habitat conservation area under Metro Title 13. WoSFA contends that this designation requires the habitat in the site "must be protected from disturbance." WoSFA objection at 54.

The Urban Growth Report specifically identifies an unmet need for sites that may accommodate anticipated growth in the semiconductor manufacturing industry. This need is based on the 2022 report of the Oregon Semiconductor Competitiveness Task Force, that identified a deficiency of development-ready industrial land supply in certain size classes. The report found a statewide need for four industrial sites between 50 and 100 acres in size for semiconductor manufacturing industrial use. Record at 1168. The Urban Growth Report identifies a need for two 50 acres sites that meet certain site characteristics required by the semiconductor manufacturing industry, including site size. The Sherwood West Concept Plan identifies site A.6 as one of two 50-acre sites planned for development by the high tech manufacturing industry.

WoSFA's remedy is for LCDC to, "find that Metro staff's findings on the suitability of Site A.6. are contradicted by undisputed facts in the record and direct the Metro Council to consider alternate measures to find such sites within the UGB or other sites in other Urban Reserves that could satisfy the specified regional need. LCDC should also require the Metro Council to reconsider its conclusion on a regional need for additional high-tech manufacturing in the light of recent circumstances and the Governor's decision not to site additional land under SB 4." WoSFA at 57.

Department Response:

The director disagrees with WoSFA that site A.6 in the Sherwood West expansion area cannot meet this need because it includes moderate value Habitat Conservation Area designated by the Metro Habitat Conservation Areas Map. Local inventories of employment land regularly distinguish between gross and net developable acreage. Gross acreage is the total quantity of land provided in a site or parcel, regardless of its development capacity for a proposed use. Net acreage accounts for development constraints such as wetlands, steep slopes, or manmade features such as roads or other required infrastructure, as they relate to a proposed type of development. Concept plans do not customarily analyze net developable acreage at a parcel-scale level of detail.

Metro's UGB expansion decision includes findings addressing the application of Title 13, habitat conservation, in UGB expansion areas. "Title 13 does not create habitat protection requirements that are binding until it is added to the UGB and to Metro's jurisdictional boundary. When this area is added to the UGB, Title 13 requires the city and Metro to update the inventory to reflect any changes in conditions that have occurred since 2005, including the removal of a substantial number of trees that has occurred since that time. The city's new comprehensive plan and land use regulations for the area will need to comply with Title 13; however, under Metro Code, compliance can mean allowing some encroachment even into inventoried habitat." Record at 1195. Metro Code section 3.07.1340 describes how local governments may comply with Title 13 through performance standards; the objector's assertion that the site "must be protected from disturbance" is not an accurate representation of Metro Code.

Metro Code section 3.07.1330, Implementation Alternatives for Cities and Counties, requires jurisdictions within the Metro UGB to adopt into their comprehensive plans either the Metro Title 13 Model Ordinance and Metro Habitat Conservation Areas Map, or:

"(2) Demonstrate that its existing or amended comprehensive plan and existing, amended, or new implementing ordinances substantially comply with the performance standards and best management practices described in Metro Code Section 3.07.1340, and that maps that it has adopted and uses substantially comply with the Metro Habitat Conservation Areas Map;

"(3) Demonstrate that it has implemented a program based on alternative approaches that will achieve protection and enhancement of Class I and II riparian habitat areas, and of Class A and B upland wildlife habitat areas in territory added to the Metro UGB after December 28, 2005, substantially comparable with the protection and restoration that would result from the application of a program that complied with Metro Code Sections 3.07.1330(b)(1) or (b)(2). A city or county developing such a program[.]"

The net developable acreage of site A.6 and its subsequent capacity to accommodate high tech manufacturing activity cannot be determined until the City of Sherwood and Metro update the Title 13 inventory of the Sherwood West expansion area and the city amends its comprehensive plan in compliance with Title 13. If, based on these amendments, site A6 lacks development capacity to accommodate a high-tech manufacturing site of 50 gross acres, the city will nevertheless be required to furnish an alternative 50-acre site for high tech industrial development in the UGB expansion area. Conditions of approval issued by Metro state that “city land use regulations, annexation procedures, or other means shall provide for creation of at least two sites of 50 gross acres or larger.” Record at 14. The conditions of approval do not specify that it is site A.6 that must be designated for this particular use.

Based on the analysis above, the director rejects this objection from WoSFA.

Sub-objection 10.E.4: Natural resource constraints on future industrial development

WoSFA objects to Metro’s decision not resulting in sufficient lands to accommodate the industrial sites identified in the Urban Growth Report. WoSFA argues that the Sherwood West Concept Plan site labeled A6 cannot support a 50-acre high tech manufacturing site because development on that scale would conflict with the Tualatin Basin Natural Resource Conservation Program (TBNRCP), a Title 13 approach used by jurisdictions within Washington County.

WoSFA’s remedy is for LCDC to, “find that Metro staff’s findings on the suitability of Site A.6. are contradicted by undisputed facts in the record and direct the Metro Council to consider alternate measures to find such sites within the UGB or other sites in other Urban Reserves that could satisfy the specified regional need. LCDC should also require the Metro Council to reconsider its conclusion on a regional need for additional high-tech manufacturing in the light of recent circumstances and the Governor’s decision not to site additional land under SB 4.” WoSFA at 59.

Department Response:

The director disagrees with this objection. The director, in reviewing this objection, notes that it raises the same or similar issues as Objection 10.E.3. above, and therefore incorporates that response in the response to this objection.

Based on the analysis above, the director rejects this objection from WoSFA.

Sub-objection 10.E.5: Evaluation of parcelization constraints

WoSFA objects to Metro evaluating the parcelization of Sites A.5 and A.6 within the Sherwood West urban reserve area differently than similar areas within the Bendemeer

urban reserve area that are similarly parcelized and which also contain Title 13 habitat designation.

WoSFA's remedy is for LCDC to, "find that Metro staff's findings on the suitability of Sites A.5 and A.6. are contradicted by undisputed facts in the record and direct the Metro Council to consider alternate measures to find such sites within the UGB or other sites in other Urban Reserves that could satisfy the specified regional need. LCDC should also require the Metro Council to reconsider its conclusion on a regional need for additional high-tech manufacturing in the light of recent circumstances and the Governor's decision not to site additional land under SB 4." WoSFA at 60.

Department Response:

While the objection does not identify the location of pertinent information for the Bendemeer site in the record, Metro's review of the evaluation of the Bendemeer site in relation to Metro's locational factors is on page 940 of the Record. Metro's analysis of the Bendemeer site in relation to the Goal 14 boundary location factors is on page 364 of the record. Review of these pertinent sections does not indicate that the Bendemeer site was determined to be unsuitable due to parcelization or Title 3 habitat areas. Metro did not reject Bendemeer as one of the seven areas unsuitable following Goal 14 boundary location factor analysis but evaluated it with the remaining 19 other sites for potential inclusion in the UGB. The summary of Metro's code factor analysis reveals that the Bendemeer site had many strengths but was ultimately not selected for UGB expansion. Record at 1036. It is not evident that the Bendemeer site was rejected due to parcel size or the presence of Title 13 habitat areas but was determined to be a less suitable site than Sherwood West due to the overall balancing of locational factors.

Based on the analysis above, the director rejects this objection from WoSFA.

Objection 10.F. Use of High-Tech Manufacturing Sites for Other Uses

WoSFA objects to Metro's condition of approval for the two 50-acre high-tech manufacturing sites included in the UGB expansion area. This objection does not identify any provisions of statute, goal, or administrative rule the submittal is alleged to have violated. The remedy proposed would require Metro to limit use of these two manufacturing sites to the assigned high-tech uses. Objection at 61-62.

Department Response:

The director finds this objection invalid. OAR 660-025-0140(2) states that an objector must "[c]learly identify an alleged deficiency in the work task sufficiently to identify the relevant section of the final decision and the statute, goal, or administrative rule the task submittal is alleged to have violated." WoSFA's objection does not reference any alleged provisions violated on this issue. In reviewing objections, the director only need

consider those that “make an explicit and particular specification of error by the local government.” *1000 Friends of Oregon v. LCDC*, 244 Or App at 268.

Objection 10.G. Compact and efficient development patterns

WoSFA objects to Metro’s decision being inconsistent with state and regional policies favoring compact and efficient development, specifically, ORS 197.012, Goal 14, Regional Framework Plan chapter 1, and Metro’s Climate Smart Strategy.

The objector’s remedy is to remand to Metro for, “reconsideration of alternative measures promoting infill and redevelopment that comply with those policies.” WoSFA objection at 63.

Department Response:

Metro’s Urban Growth Report and other information in the record describe land use efficiencies and analysis that support more efficient use of lands within the current UGB. Firstly, the director notes that Metro’s buildable land inventory is informed by a “pro forma model” developed by an economic consultant to more accurately predict redevelopment activity, which has been a significant source of housing development in the region. As described in the adopted findings, the model “estimates future development for individual properties over the next 20 years based on comparing existing and potential property values to identify properties that are financially feasible for development.” Record at 1188. The results are reflected in Table 9 of the Urban Growth Report, which estimates that redevelopable lands will accommodate 48,400 dwelling units. The analysis also estimates the capacity of vacant lands, concept-planned areas, planned redevelopment, office to residential conversions, and accessory dwelling units and middle housing units achieved from conversion and infill on existing developed lots. Of the 175,500 new dwelling units that Metro identified as needed through the 2044 planning period, approximately 111,000 units would be accommodated on vacant lands and approximately 64,500 would be accommodated with redevelopment, infill, and building conversions. Record at 56.

The Urban Growth Report also includes information on residential densities and development trends between 2013 and 2022. Of the 93,000 homes constructed in the region during this timespan, slightly more than half were built through redevelopment rather than development on vacant land. Record at 47. Analysis of the types of housing built also reflect a significant shift towards multi-unit dwellings (56 percent) and “middle housing” types such as townhomes and accessory dwelling units. The study also notes that although single-unit detached homes are the predominant type of housing in the region currently (52 percent of all housing units), the proportion of new single detached units built between 2013 and 2022 was only 30 percent. Record at 48 and 49.

The Urban Growth Report also contains information on the number of housing units built within Metro’s centers, corridors, and main streets (as identified in Metro’s 2040 Growth

Concept) as well as information about the housing units built outside those areas. Metro's centers, corridors, and main streets are identified on the 2040 Growth Concept map, described as "An integrated land use and transportation vision for building healthy, equitable communities and a strong economy while reducing greenhouse gas emissions." Department staff have reorganized that data into Table 2 below, which shows the land use efficiencies achieved towards the 2040 Growth Concept. The number of housing units developed within the centers, corridors, and main streets (45,268 units) was nearly equal to the number of housing units produced outside of those areas (47,994 units). The analysis also shows that average achieved residential densities within all centers, corridors, and main street areas was 60.7 dwelling units per acre. Outside of the centers, corridors, and main streets, the achieved average density was 10 dwelling units per acre. Overall achieved residential density in the region was 16.3 dwelling units per acre. In comparing cities statewide (outside the Metro region), department staff are not aware of any that has achieved a similar average residential density.

Table 7: Housing density by locations within Metro UGB (2013-2022)

Non-Centers	Units Produced	Average Density (units/acre)	Resultant Land Area (acres)
Multnomah County Non-Center	19,920	14	1,433
Washington County Non-Center	18,340	11	1,730
Clackamas County Non-Center	9,734	6	1,622
Totals/Averages	47,994	10	4,786
Centers, Main Streets, Corridors	Units Produced	Average Density (units/acre)	Resultant Land Area (acres)
Portland Central City	12,325	235	53
Multnomah Main Streets and Corridors	17,087	56	305
Washington County Centers	5,341	43	124
Multnomah County Centers	3,529	34	105
Clackamas County Centers	2,612	25	103
Washington County Main Streets and Corridors	3,110	20	153
Clackamas County Main Streets and Corridors	1,264	12	105

Totals/Averages	45,268	48	947
Total Both Areas	93,262	16	5,732

Source: Record at 52, Figures 12 and 13

The land use efficiency achieved within Metro is no doubt due in part to the operation of OAR 660-007-0030 and OAR 660-007-0035, which establish requirements for housing mix and minimum densities for new residential development within the Metro area. However, the results in the Urban Growth Report show that development over the period between 2013 and 2022 significantly exceeded the minimum requirements established in OAR chapter 660, division 7, demonstrating that programs such as Metro’s Climate Smart Communities have been effective in making efficient use of lands within the UGB.

The question for the director is whether the Metro Council made a decision that complies with applicable rules and statutes, that is based on analysis and information in the record. The tasks of forecasting development and redevelopment activity for the state’s largest city and for the metropolitan region that contains the largest city, 23 other cities, and a number of large urbanized unincorporated areas are necessarily different. However, most can agree that the latter analysis is a more complex task, subject to many considerations and variables. The analysis and decision by the Metro Council comply with applicable laws and are based on a great deal of data, analysis, and input, which is documented in a nearly 10,000-page record. These show that Metro has demonstrably made efficient use of lands within the UGB since the 2018 Growth Management decision, in compliance with ORS 197A.350(6).

Based on the analysis above, the director rejects this sub-objection from WoSFA.

Objection 10.H. Racial Equity and Diversity, Equity, and Inclusion

WoSFA objects to Metro’s decision being inconsistent with Metro’s policy on racial equity and its Strategic Plan for Racial Equity, Diversity and Inclusion. The objection alleges that expansion of the UGB in one of the most affluent corners of the Metro area (Sherwood) violates a provision of the Metro regional framework plan (Chapter 1, Land Use, Policy 6) that the benefits and burdens of growth be distributed equitably. The objection also notes testimony from members of the Metro Committee on Racial Equity that their views had been “tokenized” and ignored throughout this UGB process. The proposed remedy is remand to reconsider the UGB expansion process based upon the recommendations of Metro’s committee on Racial Equity. WoSFA objection at 64-68.

Department Response:

The director rejects this objection. While the objector cites a generalized policy in the Metro Regional Framework Plan as the basis of a violation, the objector does not establish that there is a relationship between expansion of the UGB in an affluent community (Sherwood) and a violation of this generalized policy. See also the director's response to 1000 Friends objection 1.A. and WoSFA objection 10.G., showing almost all new projected housing development occurring within the existing Metro UGB, and the director's response to objection 1000 Friends objection 1.B. showing almost all new project employment development occurring within the existing Metro UGB.

Objection 10.I. Climate change

WoSFA objects to Metro's decision being inconsistent with regional policies on climate change, as articulated in Climate Smart Strategy and its Regional Framework Plan six desired outcomes. The objector's remedy is to remand to Metro to, "evaluate alternative measures and sites to meet housing and employment land needs that do address these policies." WoSFA objection at 70.

Department Response:

The director disagrees with WoSFA, for the reasons expressed in the responses to Objection 1.D and 10.G. above. Therefore, the director rejects this objection from WoSFA.

Objection 10.J. Violation of Ethics, Statewide Planning Goal 1, and Metro's Public Engagement Principles

WoSFA alleges violations from Metro Councilor Gonzales of various provisions because he announced his support for adding Sherwood West to the Metro UGB prior to any public meetings on the topic and after receiving a substantial share of his campaign contributions from persons, businesses, and organizations having a significant financial stake in the proposed Sherwood UGB expansion. This is an alleged violation of Metro's Public Engagement Principles, Statewide Planning Goal 1, and ethical principles in general. WoSFA objection at 70-75.

Department Response:

The director finds this objection to be invalid. The director does not have the authority to review and consider alleged violations of state ethics laws, ORS chapter 244.. Metro's public engagement principles are not a part of Metro's plan or code that is subject to director review. Where the director does have review authority, Goal 1, the objector does not make an assertion of violation specific enough to review. In reviewing objections, the director only need consider those that "make an explicit and particular specification of error by the local government." *1000 Friends of Oregon v. LCDC*, 244 Or App at 268.

Nevertheless, the director understands this objection to be similar to Bunch objection 2.A and Fields objection 3, who raise a substantially similar issue regarding Metro's public involvement process and Goal 1 compliance, and also rejects it for those reasons stated in review of those objections.

VI. CONCLUSION

The submittal from Metro to add land to the UGB complies with the requirements of the applicable statewide planning goals, statutes, and administrative rules and is supported by substantial evidence in the record. Therefore, the director approves the submittal from Metro.

THEREFORE, IT IS ORDERED THAT:

Metro Ordinance No. 24-1520, adding approximately 1,291 acres to the Metro Urban Growth Boundary, is approved.

DATED THIS 18th DAY OF APRIL 2025.



Brenda Bateman, Ph.D.
Director, Department of Land Conservation and Development

ATTACHMENT A: OBJECTION LETTER FROM 1000 FRIENDS OF OREGON
ATTACHMENT B: OBJECTION LETTER FROM RON BUNCH
ATTACHMENT C: OBJECTION LETTER FROM BRIAN FIELDS
ATTACHMENT D: OBJECTION LETTER FROM HOUSING LAND ADVOCATES
ATTACHMENT E: OBJECTION LETTER FROM DAN HOYT
ATTACHMENT F: OBJECTION LETTER FROM DAVID MARKS
ATTACHMENT G: OBJECTION LETTER FROM JIM MARSH
ATTACHMENT H: OBJECTION LETTER FROM TUALATIN RIVERKEEPERS
ATTACHMENT I: OBJECTION LETTER FROM VERDE
ATTACHMENT J: OBJECTION LETTER FROM WEST OF SHERWOOD FARM
ALLIANCE ET AL

CERTIFICATE OF SERVICE

I certify that on April 18, 2025, I served the attached **DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT DIRECTOR'S DECISION ON METRO URBAN GROWTH BOUNDARY AMENDMENT** by mailing in a sealed envelope, with first-class postage prepaid, a copy thereof addressed as follows:

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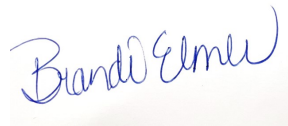
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